



**TAKE NOTICE THAT A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
OF THE CITY OF PHARR, TEXAS
WILL BE HELD AT CITY HALL, COMMISSIONERS' ROOM,
118 S. CAGE BLVD., 2ND FLOOR, PHARR, TEXAS
COMMENCING AT 4:00 PM ON
MONDAY, MARCH 18, 2019**

The City of Pharr has called this meeting as allowed pursuant to Texas law, city charter, and Ordinance O-2018-45. The governing body may recess from day to day when it does not complete consideration of a particularly long subject as authorized by law. All persons desiring to address the governing body must register with the presiding city clerk prior to the scheduled meeting.

1. CALL TO ORDER:

- A) Roll call and possible action on the excusing of any absent member of the governing body.
- B) Pledge of Allegiance/Invocation

2. PROCLAMATIONS:

- A) Proclamation proclaiming National Community Development Week. (GMCD)
- B) Proclamation proclaiming Fair Housing Month. (GMCD)

3. PUBLIC HEARINGS:

A) **PUBLIC HEARING ON DEVELOPMENT SERVICES CASES:** *(Ordinance No. O-2018-45). A registered speaker during the public hearing may not exceed three (3) minutes when addressing the board. A sign-in form for participation in public a hearing shall be promulgated by the city clerk and be made available at the city clerk's office. The public hearing sign-in form shall include the person or entity's name, address, telephone number, other contact information, organization if applicable, and other notices, authorizations, and acknowledgements as may be allowed by law from time to time. No registered speaker may be allowed to address the governing body once the public hearing has closed.*

B) **FIRST PUBLIC HEARING:** Solicitation of comments on the moratorium for the issuance of any new permits for individually rented storage units within the City of Pharr. (DEVELOPMENT SERVICES)

4. CITY MANAGER'S REPORTS: *(City Manager's Administrative Reports and discussion, if any, with governing body. The City Manager may also assign a designated spokesperson for any particular listed topic)*

- A) Submission of Sales Tax Collection Report for March 2019.
- B) Submission of February 2019 Tax Collection Report.
- C) Submission of the Audited Financial Statements for FY 2017-2018.
- D) Submission of Quarterly Report for period ending December 30, 2018.
- E) City Events of Interest.

5. CONSENT AGENDA: *(All items listed under consent Agenda are considered to be routine and non-controversial by the Governing Body and will be enacted by one motion. Any Commissioner may remove items from the consent agenda by making such request prior to a motion and vote on the Consent Agenda)*

- A) Approval of Minutes for February 18, 2019 Regular Meeting and March 4, 2019 Regular Meeting. (ADMINISTRATION)
- B) Consideration and action on Resolution authorizing the Pharr Fire Department to apply for a Homeland Security Grant FY2019 State Homeland Security Program (SHSP-R) for equipment. (FIRE)
- C) Consideration and action on Resolution entering into an agreement with Texas Department of Transportation for closure of US 281 from Old Business 83 to Kelly Ave. for the Annual Hub Phest on Saturday, March 30, 2019 from 12:00 a.m. to Sunday April 1, 2019 12:00 p.m. (PUBLIC WORKS)
- D) Consideration and action on Resolution executing an Advance Funding Agreement with the Texas Department of Transportation (TxDOT) for the PSJA Tri-City Pedestrian Safety Improvements Project, CSJ: 0921-02-391. (ENGINEERING)
- E) Consideration and action on Memorandum of Understanding between the Texas A& M Engineering Extension Service and the City of Pharr to allow Firefighter Jesus Rosillo to participate in Statewide deployments in Urban Search and Rescue activities. (FIRE)
- F) Consideration and action on request from St. Margaret Church for police assistance for the Re-enactment of the Stations of the Cross Procession on Friday, April 19, 2019 from 1:00 p.m. to 3:00 p.m. (ADMINISTRATION)

G) Consideration and action on Development Services Cases:

1. Fuera De Lugar, LLC, d/b/a Fuera De Lugar Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as .071 of an acre tract of land, more or less, out of Plaza Sports Center Phase 1 Lot 1 Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 1101 East Nolana Loop. **CUP#150101**

2. Paradise Bar and Grill LLC, dba Cantina Bar and Grill, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as being Lot 187, Valle De La Primavera Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 6905 South Jackson Road. **CUP#170209**

3. Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, has filed with the Planning and Zoning Commission a request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C). The property is legally described as being a 1.589-acre tract of land, more or less, out of Lot 96, Kelly-Pharr Tract, Pharr, Hidalgo County, Texas. The property is physically located 1500-1600 Block of East Minnesota Road. **COZ#190213**

PLATS:

1. Dannenbaum Engineering Company, representing Charles D. Muller, is requesting preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision. The property is legally described as being a 2.892-acre tract of land, consisting of all of Lots 1 and 2, Center on Ridge Road Phase 1 subdivision and 0.731 acres out of a portion of Lot 203, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is located within the 400 Block of West Ridge Road. **SUB#181033**

REGULAR AGENDA - OPEN SESSION:

6. ORDINANCES AND RESOLUTIONS:

A) Consideration and action, if any, on Ordinance renaming public roadway from Rancho Blanco Road to Javelina Drive. **(2nd Reading)**
(DEVELOPMENT SERVICES)

B) Consideration and action, if any, on Ordinance appointing Judges, Alternate Judges, and Early Voting Ballot Board Judge for the General Municipal Election to be held on Saturday, May 4, 2019. (ADMINISTRATION)

C) Consideration and action, if any, on Resolution appointing one (1) member to the Parks and Recreation Advisory Board. (PARKS)

D) Consideration and action, if any, on Resolution appointing one (1) member to the Golf Course Advisory Board. (PARKS)

E) Consideration and action, if any, on Resolution appointing two (2) members to the Community Development Council. (GMCD)

F) Consideration and action, if any, on Resolution supporting the 911 SAVES Act (Supporting Accurate View of Emergency Services Act of 2019). (COMMUNICATIONS)

7. ADMINISTRATIVE:

A) Consideration and action, if any, declaring/ratifying amnesty period for failure to appear and warrant charges from March 11, 2019 to April 30, 2019. (MUNICIPAL COURT)

B) Consideration and action, if any, on deductive Change Order No. 1 and acceptance of the City of Pharr Eldora Elevated Storage Tank Improvements Project as complete and authorization to release final payment and retainage in the amount of \$124,249.85. (Project #1617-02-582-0002) (ENGINEERING)

C) Consideration and action, if any, on deductive Change Order No.1 and acceptance of the City of Pharr Manhole Rehabilitation Project as complete and authorization to release final payment and retainage in the amount of \$97,283.35. (Project #1718-61-587-C011-116) (ENGINEERING)

D) Consideration and action, if any, on Change Order No. 1 for the Single Machine Repaving Project Year 4. (Project No. 1819-01-528-C006-241) (ENGINEERING)

E) Consideration and action, if any, on Change Order No. 1 for additional sidewalk improvements within the Witten Park, in order to comply with ADA requirements for the Pharr Sports Complex and Witten Park Dugout Improvements Project. (Project #1718-40-510-C008-161) (ENGINEERING)

F) Consideration and action, if any, on Change Order No. 1 for the purchase and installation of the Shade Structures for the Pharr Aquatic Center. (Project #1819-01-522-P001-001; BB Contract #512-16) (PARKS)

8. PURCHASING:

- A) Consideration and action, if any, authorizing the purchase of Twelve (12) Motorola P-25 radios from Motorola Solutions Inc. through H-GAC Contract # RA05-18 (Project # 1819-01-515-P014-002). (FIRE)
- B) Consideration and action, if any, authorizing the purchase of Sixteen (16) P-25 Harris radios from Dailey-Wells Communications through H-GAC Contract # RA05-18A (Project # 1819-01-515-1013-002). (FIRE)
- C) Consideration and action, if any, authorizing the purchase of Ten (10) Panasonic Mobile Data Terminals (MDT) for Pharr Police Department utilizing co-op DIR-TSO-4025 contract. (POLICE)

9. CONTRACTS/AGREEMENTS:

- A) Consideration and action, if any, authorizing City Manager to terminate Interlocal Agreement with City of McAllen as host for radio antennas. (Project #1819-01-525-IPQ041-001) (COMMUNICATIONS)
- B) Consideration and action, if any, on award of contract for Project 1 on the HVAC Replacement Project. (Project No. 1819-01-522-C008-294) (ENGINEERING)
- C) Consideration and action, if any, on award of service contract for the HUD CDBG Five (5) Year Consolidated Plan of Goals for Housing and Community Development. (Project #1819-30-526-S023-245) (GMCD)
- D) Consideration and action, if any, on ratification of award a contract to Southern Trenchless Solutions LLC through the BuyBoard Contract #555-18 for the City of Pharr- International Bridge Concrete Rehabilitation Phase I & II. (ENGINEERING)
- E) Consideration and action, if any, Memorandum of Understanding with South Texas College for Police Academy/Basic Peace Officer Certification. (POLICE)
- F) Consideration and action, if any, amending design-build contract budget with International Consulting Engineers (ICE) for various structural design elements of the Downtown Gateway and Lighting Improvements. (ENGINEERING)

10. CLOSED SESSION: *In accordance with Chapter 551 of the Texas Gov't. Code, the Pharr Board of Commissioners hereby gives notice that it may meet in a closed (non-public) executive session to discuss the items listed on the public portion of the meeting agenda in accordance with the following below:*

Pursuant to Section 551.071, the City may convene in a closed, non-public meeting with its attorney and discuss any matters related to **legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.072, the City may convene in a closed, non-public meeting to discuss any matters related to **real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the City and a third party in an open meeting.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.074, the City may convene in a closed, non-public meeting to discuss any matters related to **appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee.** The City and its attorney may also discuss such issues with the appropriate staff including members so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.076, the City may convene in a closed, non-public meeting to discuss any matters on the **deployment, or specific occasions for implementation, of security personnel or devices.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.084, the City may convene in a closed, non-public meeting to discuss any matters involving an **investigation and may exclude a witness from hearing during the examination of another witness in the investigation.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.087, the City may convene in a closed, non-public meeting to discuss any matters regarding **economic development issues.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

11. RECONVENE: *into Regular Session, and consider action, if necessary on any items(s) discussed in closed session.*

12. ADJOURNMENT:

AGENDA REGULAR MEETING
March 18, 2019

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's Office at 956/402-4100 ext. 1003/1007 or FAX 956/702-5313 or E-mail hilda.pedraza@pharr-tx.gov or imelda.barrera@pharr-tx.gov for further information. Braille is not available.

I, the undersigned authority, do hereby certify that the above notice of said Regular Meeting of the City Commission of the City of Pharr was posted on the bulletin board at City Hall and on the City's web page at www.pharr-tx.gov. This Notice was posted on the 15th day of March 2019 at 3:30 p.m. and will remain posted continuously for at least 72 hours preceding the scheduled time of said Meeting, in compliance with Chapter 551 of the Government Code, Vernon's Texas Codes, Annotated (Open Meetings Act).



WITNESS MY HAND AND SEAL, this 15th day of March 2019.


HILDA PEDRAZA, TRMC, CMC
CITY CLERK

I certify that the attached notice and agenda of items to be considered by the City Commission was removed from the bulletin board of City Hall on the _____ day of _____, 20____ by,

Title: _____

STATE OF TEXAS

COUNTY OF HIDALGO

PROCLAMATION

CITY OF PHARR

NO.

WHEREAS, The City of Pharr is a participant in the Community Development Block Grant (CDBG) program which funds a myriad of social and public services, community projects and housing programs; and

WHEREAS, in the City and in communities throughout the nation forty-five Years of Community Development Block Grant Program funding has developed a strong working network of relationships between this local government, residents of Community Development target neighborhoods and a number of nonprofit agencies which provide services and help make possible our commitment to those neighborhoods.

WHEREAS, that during National Community Development Week, the City will give special thanks and recognition of all participants whose hard work and devotion to the neighborhood and their low and moderate income residents help ensure the quality and effectiveness of the Community Development Block Grant Program.

NOW THEREFORE, I, Ambrosio Hernandez M. D., MAYOR OF THE CITY OF PHARR, TEXAS: By the virtue of the authority vested in me and on behalf of the Commission do hereby proclaim the week of April 22, 2019 to April 26, 2019 as:

“NATIONAL COMMUNITY DEVELOPMENT WEEK IN PHARR, TEXAS”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 18th day of March 2019.

City of Pharr

Ambrosio Hernandez M. D., Mayor

Attest:

Hilda Pedraza, City Clerk

PROCLAMATION

STATE OF TEXAS

COUNTY OF HIDALGO

PROCLAMATION

CITY OF PHARR

NO. P-

WHEREAS, April is observed as **“FAIR HOUSING MONTH”** across the country and

WHEREAS, The Fair Housing Act recognizes, supports, and encourages the right of every person, regardless of race, color, creed, gender, national origin, family status, or disability to live in the housing of the individual’s choice; and

WHEREAS, Fair Housing organizations and partners will observe the month of April with special activities and events in recognition of the Federal Fair Housing Act and the important role it plays in our community; and

WHEREAS, in Pharr, Texas we encourage all of our citizens to join in this national effort to assure housing opportunities for all American in all neighborhoods throughout the nation.

NOW THEREFORE, I, AMBROSIO HERNANDEZ M. D., MAYOR OF THE CITY OF PHARR, TEXAS: By the virtue of the authority vested in me and on behalf of the Commission do hereby proclaim the month of April 2019 as:

“FAIR HOUSING MONTH”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 18th, day of March, 2019.

Ambrosio Hernandez M. D., Mayor

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 3.A.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Public Hearing on Development Services Cases.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/11/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 3.B.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Rita Galvan, Secretary

DEPARTMENT: Development Services

DIRECTOR:

Agenda Item: FIRST PUBLIC HEARING: Solicitation of comments on the moratorium for the issuance of any new permits for individually rented storage units within the City of Pharr.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The City of Pharr, Texas, hereby gives notice that it seeks to impose a moratorium on the issuance of any new permits for individually rented storage units within the City of Pharr in accordance with Chapter 212 of the Texas Local Government Code and as may be allowed under applicable law.

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Rita Galvan
Roland Gomez
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/12/2019
Approved - 3/14/2019
Approved - 3/14/2019
Approved - 3/14/2019
Final Approval - 3/14/2019

**CITY OF PHARR
NOTICE OF PUBLIC HEARING(S)**

The City of Pharr, Texas, hereby gives notice that it seeks to impose a moratorium on the issuance of any new permits for individually rented storage units within the City of Pharr in accordance with Chapter 212 of the Texas Local Government Code and as may be allowed under applicable law.

The Board of Commissioners of the City of Pharr, Texas, will hold a 1st public hearing on Monday, March 18, 2019, at 4:00 PM. at the City Commissioners' Room, 118 S. Cage Blvd., 2nd Floor, Pharr, Texas, to solicit any comments and concerns from the general public.

The Planning and Zoning Commission of the City of Pharr will hold a 2nd public hearing on Monday, March 25, 2019 at 6:00 PM. at the City Commissioners' Room, 118 S. Cage Blvd., 2nd Floor, Pharr, Texas, to solicit any comments and concerns from the general public.

The City of Pharr has called this meeting as allowed pursuant to Texas law, city charter, and Ordinance O-2018-45. The governing body may recess from day to day when it does not complete consideration of a particularly long subject as authorized by law. On matters requiring public hearing, all persons desiring to speak during a public hearing shall sign in with the City Clerk no later than 5:00 P.M. or the close of business on the business day prior to the scheduled public hearing.

**CITY OF PHARR
/s/ Hilda Pedraza
Hilda Pedraza, City Clerk**



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.A.

DATE SUBMITTED: March 15, 2019

MEETING DATE: March 18, 2019

FROM: Karla Moya, Finance Director

DEPARTMENT: Finance

DIRECTOR:

Agenda Item: Submission of Sales Tax Collection Report for March 2019.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

SALES TAX GROWTH

The sales tax activity for the city of Pharr as of the month of March 2019 (6th month of City's Fiscal Year 2018-2019 but January's Sales Activity for FY 2018-2019) has shown an OVERALL POSITIVE trend in the amount of \$1,747,470 from this point last year, or an INCREASE of 19.64%

RGV SALES TAX COMPARISON

City of Pharr shows an INCREASE of 18.85% compared to last March 2018 collections, the City ranked No. 1 this month compared to 9 other cities in the Valley in sales collections compared to last period, AND ranked No. 1 in collections year to date.

GAAP BASIS

This is the 4th month (Month of Actual Sales) of the fiscal year 2018-2019, to date we are UP 22.10% which equate to \$756,674 from this point of the fiscal year compared to last year.

Please feel free to contact me should the need arise, I am at extension 1907.

THANK YOU

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Karla Moya	Created/Initiated - 3/15/2019
Karla Moya	Approved - 3/15/2019
Alex Meade	Final Approval - 3/15/2019

City of Pharr
Sales Total Tax Analysis (2%) - Cash Basis

	FY 12/13	FY 13/14	FY 14/15	FY 15/16*	FY 16/17	FY 17/18	FY 18/19	Difference FY 18/19 - FY 17/18
MONTH								
OCT.	\$ 1,095,758	\$ 1,095,399	\$ 1,175,133	\$ 1,281,269	\$ 1,317,281	\$ 1,374,342	\$ 1,565,305	\$ 190,962
NOV.	1,009,747	1,064,491	1,272,920	1,367,611	1,457,436	1,537,813	1,771,783	233,970
DEC.	1,065,676	1,151,064	1,255,599	1,306,892	1,379,834	1,363,639	1,633,688	270,049
JAN.	1,065,003	1,166,651	1,231,604	1,224,656	1,317,066	1,502,050	1,541,429	39,379
FEB.	1,132,199	1,301,266	1,403,486	1,508,184	1,570,000	1,712,515	2,460,662	748,147
MAR.	1,014,839	1,090,660	1,244,493	1,250,428	1,300,217	1,405,923	1,670,886	264,963
APR.	1,033,280	1,120,837	1,195,832	1,324,900	1,263,946	1,381,333		
MAY	1,207,076	1,332,207	1,457,421	1,625,843	1,644,947	1,646,964		
JUN.	1,075,570	1,239,819	1,424,397	1,429,149	1,384,312	1,573,321		
JUL.	1,087,853	1,239,026	1,314,960	1,336,426	1,402,878	1,671,537		
AUG.	1,203,458	1,284,104	1,433,708	1,609,004	1,538,105	1,556,841		
SEP.	1,034,174	1,183,373	1,356,249	1,330,463	1,368,050	1,538,304		
TOTAL	<u>\$ 13,024,633</u>	<u>\$ 14,268,899</u>	<u>\$ 15,765,800</u>	<u>\$ 16,594,826</u>	<u>\$ 16,944,071</u>	<u>\$ 18,264,581</u>	<u>\$ 10,643,753</u>	<u>\$ 1,747,470</u>

AVERAGE PER MONTH

\$ 1,085,386 \$ 1,189,075 \$ 1,313,817 \$ 1,382,902 \$ 1,412,006 \$ 1,522,048 \$ 1,773,959

INCREASE/(DECREASE) IN SALES TAX COLLECTION

\$ 198,926 \$ 1,244,265 \$ 1,496,902 \$ 829,025 \$ 349,245 \$ 1,320,511 \$ 1,747,470

INCREASE FROM PREVIOUS YEAR

1.55% 9.55% 10.49% 5.26% 2.10% 7.79% 19.64%

BUDGET VS. ACTUAL VARIANCE ANALYSIS

\$ 13,443,500 \$ 13,443,500 \$ 14,980,000 \$ 16,301,000 \$ 16,845,700 \$ 17,272,300 \$ 18,893,300
\$ (418,867) \$ 825,399 \$ 785,800 \$ 293,826 \$ 98,371 \$ 992,281
-3.22% 5.78% 4.98% 1.77% 0.58% 5.43%

* Do NOT INCLUDE one time payments for October 2015 of \$344,044 and April 2016 of \$61,017

City of Pharr
Sales Tax Analysis - City & Prop Tax Relief (1.5%) - Cash Basis

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	Difference FY 18/19 - FY 17/18
MONTH								
OCT.	\$ 821,818	\$ 821,549	\$ 881,349	\$ 960,952	\$ 987,960	\$ 1,030,757	\$ 1,173,979	\$ 143,222
NOV.	757,310	798,368	954,690	1,025,708	1,093,077	1,153,359	1,328,837	175,477
DEC.	799,257	863,298	941,699	980,169	1,034,876	1,022,729	1,225,266	202,536
JAN.	798,752	874,989	923,703	918,492	987,799	1,126,537	1,156,072	29,534
FEB.	849,149	975,950	1,052,615	1,131,138	1,177,500	1,284,387	1,845,497	561,110
MAR.	761,129	817,995	933,370	937,821	975,163	1,054,442	1,253,165	198,722
APR.	774,960	840,628	896,874	993,675	947,959	1,036,000		
MAY	905,307	999,155	1,093,066	1,219,382	1,233,711	1,235,223		
JUN.	806,678	929,864	1,068,297	1,071,862	1,038,234	1,179,990		
JUL.	815,890	929,270	986,220	1,002,320	1,052,158	1,253,652		
AUG.	902,594	963,078	1,075,281	1,206,753	1,153,579	1,167,631		
SEP.	775,630	887,530	1,017,187	997,847	1,026,037	1,153,728		
TOTAL	<u>\$ 9,768,475</u>	<u>\$ 10,701,674</u>	<u>\$ 11,824,350</u>	<u>\$ 12,446,119</u>	<u>\$ 12,708,053</u>	<u>\$ 13,698,436</u>	<u>\$ 7,982,814</u>	<u>\$ 1,310,602</u>

AVERAGE PER MONTH

\$ 814,040 \$ 891,806 \$ 985,363 \$ 1,037,177 \$ 1,059,004 \$ 1,141,536 \$ 1,330,469

INCREASE/(DECREASE) IN SALES TAX COLLECTION

\$ 149,195 \$ 933,199 \$ 1,122,676 \$ 621,769 \$ 261,934 \$ 990,383 \$ 1,310,602

INCREASE FROM PREVIOUS YEAR

1.55% 9.55% 10.49% 5.26% 2.10% 7.79% 19.64%

BUDGET VS. ACTUAL VARIANCE ANALYSIS

\$ 10,082,625 \$ 10,082,625 \$ 11,235,000 \$ 12,225,750 \$ 12,634,725 \$ 12,954,225 \$ 14,169,975
\$ (314,150) \$ 619,049 \$ 589,350 \$ 220,369 \$ 73,328 \$ 744,211
-3.22% 5.78% 4.98% 1.77% 0.58% 5.43%

City of Pharr
Annual Sales Tax Activity Analysis FY 18/19 - GAAP Basis

Regular City Tax (1%)

		<u>FY 18/19</u>		<u>FY 17/18</u>		<u>\$ Change</u>		<u>% Change</u>		<u>FY 18/19 Cumm Change</u>
October	\$	816,843.92	\$	681,819.65	\$	135,024.27		19.80%	\$	135,024.27
November	\$	770,714.50	\$	751,024.50	\$	19,690.00		2.62%	\$	154,714.27
December	\$	1,230,331.15	\$	856,257.68	\$	374,073.47		43.69%	\$	528,787.74
January	\$	835,443.02	\$	702,961.59	\$	132,481.43		18.85%	\$	661,269.17
February	\$	-	\$	690,666.50						
March	\$	-	\$	823,481.92						
April	\$	-	\$	786,660.30						
May	\$	-	\$	835,768.28						
June	\$	-	\$	778,420.40						
July	\$	-	\$	769,151.98						
August	\$	-	\$	782,652.41						
September	\$	-	\$	885,891.28						
Totals	\$	3,653,332.58	\$	9,344,756.47	\$	661,269.17		22.10%		

Credit In Lieu of Property Tax (.5%)

		<u>FY 18/19</u>		<u>FY 17/18</u>		<u>\$ Change</u>		<u>% Change</u>		<u>FY 18/19 Cumm Change</u>
October	\$	408,421.96	\$	340,909.83	\$	67,512.13		19.80%	\$	67,512.13
November	\$	385,357.25	\$	375,512.25	\$	9,845.00		2.62%	\$	77,357.13
December	\$	615,165.58	\$	428,128.84	\$	187,036.74		43.69%	\$	264,393.87
January	\$	417,721.51	\$	351,480.79	\$	66,240.72		18.85%	\$	330,634.58
February	\$	-	\$	345,333.25						
March	\$	-	\$	411,740.96						
April	\$	-	\$	393,330.15						
May	\$	-	\$	417,884.14						
June	\$	-	\$	389,210.20						
July	\$	-	\$	384,575.99						
August	\$	-	\$	391,326.21						
September	\$	-	\$	442,945.64						
Totals	\$	1,826,666.29	\$	4,672,378.23	\$	330,634.58		22.10%		

PEDC (.5%)

		<u>FY 18/19</u>		<u>FY 17/18</u>		<u>\$ Change</u>		<u>% Change</u>		<u>FY 18/19 Cumm Change</u>
October	\$	408,421.96	\$	340,909.83	\$	67,512.13		19.80%	\$	67,512.13
November	\$	385,357.25	\$	375,512.25	\$	9,845.00		2.62%	\$	77,357.13
December	\$	615,165.58	\$	428,128.84	\$	187,036.74		43.69%	\$	264,393.87
January	\$	417,721.51	\$	351,480.79	\$	66,240.72		18.85%	\$	330,634.58
February	\$	-	\$	345,333.25						
March	\$	-	\$	411,740.96						
April	\$	-	\$	393,330.15						
May	\$	-	\$	417,884.14						
June	\$	-	\$	389,210.20						
July	\$	-	\$	384,575.99						
August	\$	-	\$	391,326.21						
September	\$	-	\$	442,945.64						
Totals	\$	1,826,666.29	\$	4,672,378.23	\$	330,634.58		22.10%		

Total Sales Tax (2%)

		<u>FY 18/19</u>		<u>FY 17/18</u>		<u>\$ Change</u>		<u>FY 17/18 Budget</u>		<u>Actual vs. Budget</u>
October	\$	1,633,687.83	\$	1,363,639.30	\$	270,048.53	\$	1,574,441.67	\$	59,246.16
November	\$	1,541,429.00	\$	1,502,049.00	\$	39,380.00	\$	1,574,441.67	\$	(33,012.67)
December	\$	2,460,662.30	\$	1,712,515.36	\$	748,146.94	\$	1,574,441.67	\$	886,220.63
January	\$	1,670,886.03	\$	1,405,923.17	\$	264,962.86	\$	1,574,441.67	\$	96,444.36
February	\$	-	\$	1,381,333.00			\$	1,574,441.67		
March	\$	-	\$	1,646,963.83			\$	1,574,441.67		
April	\$	-	\$	1,573,320.59			\$	1,574,441.67		
May	\$	-	\$	1,671,536.56			\$	1,574,441.67		
June	\$	-	\$	1,556,840.80			\$	1,574,441.67		
July	\$	-	\$	1,538,303.95			\$	1,574,441.67		
August	\$	-	\$	1,565,304.82			\$	1,574,441.67		
September	\$	-	\$	1,771,782.55			\$	1,574,441.67		
Totals	\$	7,306,665.16	\$	18,689,512.93	\$	1,322,538.33	\$	18,893,300.00	\$	1,008,898.49
						22.10%				756,673.87

SALES TAX STATE COLLECTION RGV COMPARISON -MARCH 2019

Valley Rank	City	Net Payment This Period	Payment Prior Year	% Change	2019 Payments To Date	2018 Payments To Date	% Change
Rank Based on Current Month Activity							
1	Pharr	\$ 1,670,886	\$ 1,405,923	18.85%	\$ 5,672,977	\$ 4,620,488	22.78%
2	McAllen	\$ 4,822,123	\$ 4,454,867	8.24%	\$ 18,059,840	\$ 16,365,993	10.35%
3	Weslaco	\$ 1,009,100	\$ 949,876	6.23%	\$ 3,304,277	\$ 3,163,689	4.44%
4	Brownsville	\$ 2,882,465	\$ 2,721,606	5.91%	\$ 10,104,279	\$ 9,813,410	2.96%
5	Alamo	\$ 285,321	\$ 271,387	5.13%	\$ 967,426	\$ 929,508	4.08%
6	San Juan	\$ 294,245	\$ 282,938	4.00%	\$ 922,333	\$ 879,570	4.86%
7	Edinburg	\$ 1,775,566	\$ 1,719,773	3.24%	\$ 6,031,884	\$ 5,511,252	9.45%
8	Mission	\$ 1,233,083	\$ 1,237,503	-0.36%	\$ 4,152,594	\$ 3,925,089	5.80%
9	Harlingen	\$ 1,894,524	\$ 1,972,172	-3.94%	\$ 6,774,214	\$ 6,574,275	3.04%
10	Mercedes	\$ 380,065	\$ 419,007	-9.29%	\$ 1,822,785	\$ 1,817,303	0.30%

Rank Based on Calendar Year 2019 To Date Activity							
1	Pharr	\$ 1,670,886	\$ 1,405,923	18.85%	\$ 5,672,977	\$ 4,620,488	22.78%
2	McAllen	\$ 4,822,123	\$ 4,454,867	8.24%	\$ 18,059,840	\$ 16,365,993	10.35%
3	Edinburg	\$ 1,775,566	\$ 1,719,773	3.24%	\$ 6,031,884	\$ 5,511,252	9.45%
4	Mission	\$ 1,233,083	\$ 1,237,503	-0.36%	\$ 4,152,594	\$ 3,925,089	5.80%
5	San Juan	\$ 294,245	\$ 282,938	4.00%	\$ 922,333	\$ 879,570	4.86%
6	Weslaco	\$ 1,009,100	\$ 949,876	6.23%	\$ 3,304,277	\$ 3,163,689	4.44%
7	Alamo	\$ 285,321	\$ 271,387	5.13%	\$ 967,426	\$ 929,508	4.08%
8	Harlingen	\$ 1,894,524	\$ 1,972,172	-3.94%	\$ 6,774,214	\$ 6,574,275	3.04%
9	Brownsville	\$ 2,882,465	\$ 2,721,606	5.91%	\$ 10,104,279	\$ 9,813,410	2.96%
10	Mercedes	\$ 380,065	\$ 419,007	-9.29%	\$ 1,822,785	\$ 1,817,303	0.30%

STATE TOTALS	\$ 456,910,943	\$ 431,529,996	5.55%	\$ 1,544,686,439	\$ 1,481,152,721	4.11%
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AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.B.

DATE SUBMITTED: March 7, 2019

MEETING DATE: March 18, 2019

FROM: Karla Moya, Finance Director

DEPARTMENT: Finance

DIRECTOR:

Agenda Item: Submission of February 2019 Tax Collection Report.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Current Collections

Current Tax Collections as of February 2019 are \$16,848,145 or 87.83% collected out of this Year's Levy . This is -0- % higher than last year.

Delinquent Tax

Delinquent Tax Collections as of February 2019 are \$307,849 which is 12.33% collected out of previous year's tax rolls. This is a decrease of 0.36% compared to last year.

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Karla Moya
City Management Office

Created/Initiated - 3/7/2019
Final Approval - 3/15/2019

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
CITY OF PHARR TAXES COLLECTED FOR:
FEBRUARY 2019

COMPARATIVE RATE OF COLLECTIONS

CITY OF PHARR CPR (33)	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2018/2019	COLLECTED 2017/2018
2018 TAX ROLL	19,278,100.58	16,848,144.73	-	(96,048.87)	2,333,906.98	87.83%	87.83%
2017 & PRIOR YRS	2,534,188.08	307,848.87		(37,650.06)	2,188,689.15	12.33%	12.69%
ROLLBACK	13,987.55	89.36	-	22,843.79	36,741.98	0.24%	25.17%
TOTALS	21,826,276.21	17,156,082.96	-	(110,855.14)	4,559,338.11		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF FEBRUARY 2019

	CITY OF PHARR	MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	1,324,433.21	(12,668.89) CURRENT
CURRENT YEAR-P&I	77,657.09	
PRIOR YEARS-BASE TAX	76,433.75	(913.47) PRIOR
PRIOR YEARS-P&I	27,660.03	
ROLLBACK		ROLLBACK
ROLLBACK P&I		
ATTORNEY FEES	13,987.28	PURGED
TOTAL COLLECTIONS	1,520,171.36	(13,582.36)
LESS TRANSFERRED	1,016,314.00	
LESS IN TRANSIT	497,993.40	
LESS DUE TO HCAD COMM. FEE	75.96	
LESS DUE TO CO TREASURER	5,788.00	
BALANCE	-	

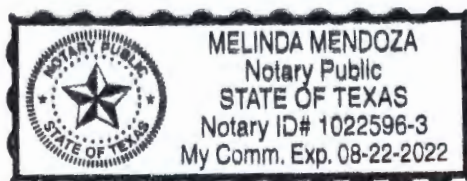
*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE CITY OF PHARR, DO
 SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR
 THE MONTH OF FEBRUARY 2019 IS CORRECT.

Pablo (Paul) Villarreal Jr.
 ASSESSOR-COLLECTOR OF TAXES FOR CITY OF PHARR, TEXAS

SWORN AND SUBSCRIBED BEFORE ME THIS 13TH DAY OF MARCH 2019 A.D.

Melinda Mendoza
 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
CITY OF PHARR
TAX COLLECTION REPORT
FOR THE MONTH OF FEBRUARY 2019

<u>AD VALOREM - CITY OF PHARR</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>DIFFERENCE</u>
<u>2018 CURRENT</u>			
ORIGINAL LEVY	19,278,100.58	18,625,154.58	652,946.00
MODIFICATIONS	(96,048.87)	15,438.34	(111,487.21)
CURRENT LEVY	19,182,051.71	18,640,592.92	541,458.79
CURRENT COLLECTIONS THIS MONTH	1,324,433.21	1,432,023.10	(107,589.89)
CURRENT COLLECTIONS TO DATE	16,848,144.73	16,372,768.38	475,376.35
OUTSTANDING TO DATE	2,333,906.98	2,267,824.54	66,082.44
PERCENT COLLECTED/ORIGINAL	87.40%	87.91%	-0.51%
PERCENT COLLECTED/MODIFIED	87.83%	87.83%	0.00%
TOTAL COLLECTIONS FISCAL YEAR	16,848,144.73	16,372,768.38	
<u>DELINQUENT</u>			
ORIGINAL LEVY	2,534,188.08	2,497,225.46	36,962.62
MODIFICATIONS	(37,650.06)	(3,084.76)	(34,565.30)
DELINQUENT LEVY	2,496,538.02	2,494,140.70	2,397.32
DELINQUENT COLLECTIONS THIS MONTH	76,433.75	70,365.26	6,068.49
DELINQUENT COLLECTIONS TO DATE	307,848.87	316,574.79	(8,725.92)
OUTSTANDING TO DATE	2,188,689.15	2,177,565.91	11,123.24
PERCENT COLLECTED/ORIGINAL	12.15%	12.68%	-0.53%
PERCENT COLLECTED/MODIFIED	12.33%	12.69%	-0.36%
TOTAL COLLECTIONS FISCAL YEAR	307,848.87	316,574.79	
<u>ROLLBACK</u>			
ORIGINAL LEVY	13,987.55	80,403.97	(66,416.42)
MODIFICATIONS	22,843.79	0.00	22,843.79
ROLLBACK LEVY	36,831.34	80,403.97	(43,572.63)
ROLLBACK COLLECTIONS THIS MONTH	0.00	16,079.58	(16,079.58)
ROLLBACK COLLECTIONS TO DATE	89.36	20,240.89	(20,151.53)
OUTSTANDING TO DATE	36,741.98	60,163.08	(23,421.10)
PERCENT COLLECTED/ORIGINAL	0.64%	25.17%	-24.53%
PERCENT COLLECTED/MODIFIED	0.24%	25.17%	-24.93%
TOTAL COLLECTIONS FISCAL YEAR	89.36	20,240.89	

**PABLO (PAUL) VILLARREAL, JR., TAX ASSESSOR/COLLECTOR
CITY OF PHARR
TAX COLLECTIONS AS OF FEBRUARY 2019**

33

REPORT DATE	CURR BASE	CURR P&I	CURR RB	CURR RB P&I	PRIOR BASE	PRIOR P&I	PRIOR RB	RB P&I	ATTY FEES	ATTY RBFEEs	TOTAL	TRANS.	DIFF.	DATE OF TRANSF.
1-Feb	20,725.62	622.08			2,100.54	568.00			386.92		24,403.16		24,403.16	
4-Feb	18,934.38	760.35			3,107.99	1,457.77			107.14		24,367.63		24,367.63	
5-Feb	30,643.49	331.85			636.80	199.30			112.14		31,923.58		31,923.58	
6-Feb	44,858.63	619.55			1,052.32	500.85			165.33		47,196.68		47,196.68	
7-Feb	397,528.39	1,031.42			4,956.35	1,258.93			922.68		405,697.77	527,800.82	(122,103.05)	13-Feb
8-Feb	41,433.86	788.75			4,177.57	1,143.60			762.98		48,306.76	48,306.76	0.00	14-Feb
11-Feb	22,209.92	1,436.76			2,961.61	913.02			498.86		28,020.17	28,020.17	0.00	19-Feb
12-Feb	67,391.68	785.61			1,254.03	411.37			242.35		70,085.04	70,085.04	0.00	19-Feb
13-Feb	22,550.88	1,434.27			1,388.12	436.30			273.47		26,083.04	26,083.04	0.00	20-Feb
14-Feb	9,483.19	1,099.74			16,663.03	4,711.16			3,180.73		35,137.85	35,137.85	0.00	21-Feb
15-Feb	3,178.23	695.63			1,976.92	600.79			283.06		6,734.63	6,734.63	0.00	22-Feb
16-Feb	(6,651.93)				(745.06)	(1.05)					(7,398.04)		(7,398.04)	SUPP
19-Feb	20,894.77	1,333.64			1,458.09	579.56			286.47		24,552.53	17,154.49	7,398.04	25-Feb
17-Feb	196,587.51	38,103.97									234,691.48	234,691.48	0.00	2-25 SI DISB
20-Feb	17,355.28	1,189.49			2,436.94	828.23			489.78		22,299.72	22,299.72	(0.00)	26-Feb
21-Feb	50,061.48	3,307.14			2,876.54	1,115.97			250.92		57,612.05		57,612.05	
22-Feb	37,919.85	2,465.18			2,713.85	824.93			468.18		44,391.99		44,391.99	
25-Feb	55,445.38	3,002.55			4,228.41	1,421.13			812.29		64,909.76		64,909.76	
26-Feb	21,663.72	1,485.79			1,459.84	479.61			272.91		25,361.87		25,361.87	
27-Feb	72,440.56	4,938.30			3,906.41	1,121.26			694.38		83,100.91		83,100.91	
28-Feb	179,778.32	12,225.02			17,823.45	9,089.30			3,776.69		222,692.78	497,993.40	(275,300.62)	12-Mar
											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	
											0.00		0.00	
TTL														
TTL	1,324,433.21	77,657.09	0.00	0.00	76,433.75	27,660.03	0.00	0.00	13,987.28	0.00	1,520,171.36	1,514,307.40	5,863.96	

TTL

OVERALL TOTAL	1,520,171.36
LESS REFUNDS	0.00
LESS HCAD COMM FEES	75.96
LESS COMM/COST	<u>5,788.00</u>
BALANCE	1,514,307.40
LESS TRANSFERRED	1,016,314.00
LESS TRANSF IN TRANSIT	<u>497,993.40</u>
BALANCE PENDING	0.00

03/06/2019 17:21:15 3181895
 TC298-D SELECTION: SYSTEM
 RECEIPT DATE: ALL
 LOCATION: LOCATION NAME NOT FOUND

TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 FROM: 02/01/2019 THRU 02/28/2019
 JURISDICTION: 0033 CITY OF PHARR

PAGE: 45
 EXCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2018	M & O	.567100	1,157,297.38	.00	67,857.32	22,456.42-	1,202,698.28	.00	.00	.00	1,225,154.70
	I & S	.081900	167,135.83	.00	9,799.77	3,243.14-	173,692.46	.00	.00	.00	176,935.60
	TOTAL	.649000	1,324,433.21	.00	77,657.09	25,699.56-	1,376,390.74	.00	.00	.00	1,402,090.30
2017	M & O	.567100	42,368.31	.00	10,403.91	.00	52,772.22	8,879.70	.00	.00	61,651.92
	I & S	.081900	6,118.83	.00	1,502.59	.00	7,621.42	.00	.00	.00	7,621.42
	TOTAL	.649000	48,487.14	.00	11,906.50	.00	60,393.64	8,879.70	.00	.00	69,273.34
2016	M & O	.582100	10,766.98	.00	3,883.93	.00	14,650.91	2,318.34	.00	.00	16,969.25
	I & S	.071900	1,329.89	.00	479.70	.00	1,809.59	.00	.00	.00	1,809.59
	TOTAL	.654000	12,096.87	.00	4,363.63	.00	16,460.50	2,318.34	.00	.00	18,778.84
2015	M & O	.582100	4,179.40	.00	1,941.93	.00	6,121.33	940.98	.00	.00	7,062.31
	I & S	.071900	516.25	.00	239.88	.00	756.13	.00	.00	.00	756.13
	TOTAL	.654000	4,695.65	.00	2,181.81	.00	6,877.46	940.98	.00	.00	7,818.44
2014	M & O	.608100	2,594.19	.00	1,472.14	.00	4,066.33	586.39	.00	.00	4,652.72
	I & S	.071900	306.75	.00	174.04	.00	480.79	.00	.00	.00	480.79
	TOTAL	.680000	2,900.94	.00	1,646.18	.00	4,547.12	586.39	.00	.00	5,133.51
2013	M & O	.605000	1,438.55	.00	952.99	.00	2,391.54	280.85	.00	.00	2,672.39
	I & S	.075000	178.33	.00	118.13	.00	296.46	.00	.00	.00	296.46
	TOTAL	.680000	1,616.88	.00	1,071.12	.00	2,688.00	280.85	.00	.00	2,968.85
2012	M & O	.602600	1,569.98	.00	1,072.45	.00	2,642.43	228.26	.00	.00	2,870.69
	I & S	.077400	201.65	.00	137.77	.00	339.42	.00	.00	.00	339.42
	TOTAL	.680000	1,771.63	.00	1,210.22	.00	2,981.85	228.26	.00	.00	3,210.11
2011	M & O	.602100	990.90	.00	718.48	.00	1,709.38	148.14	.00	.00	1,857.52
	I & S	.077900	128.20	.00	92.96	.00	221.16	.00	.00	.00	221.16
	TOTAL	.680000	1,119.10	.00	811.44	.00	1,930.54	148.14	.00	.00	2,078.68
2010	M & O	.601800	1,089.76	.00	844.19	.00	1,933.95	137.89	.00	.00	2,071.84
	I & S	.078200	141.61	.00	109.69	.00	251.30	.00	.00	.00	251.30
	TOTAL	.680000	1,231.37	.00	953.88	.00	2,185.25	137.89	.00	.00	2,323.14
2009	M & O	.601800	517.27	.00	475.65	.00	992.92	85.17	.00	.00	1,078.09
	I & S	.078200	67.22	.00	61.80	.00	129.02	.00	.00	.00	129.02
	TOTAL	.680000	584.49	.00	537.45	.00	1,121.94	85.17	.00	.00	1,207.11
2008	M & O	.602940	474.72	.00	476.63	.00	951.35	68.48	.00	.00	1,019.83
	I & S	.078910	62.14	.00	62.38	.00	124.52	.00	.00	.00	124.52
	TOTAL	.681850	536.86	.00	539.01	.00	1,075.87	68.48	.00	.00	1,144.35
2007	M & O	.596130	382.87	.00	356.73	.00	739.60	25.51	.00	.00	765.11
	I & S	.086990	55.87	.00	52.06	.00	107.93	.00	.00	.00	107.93
	TOTAL	.683120	438.74	.00	408.79	.00	847.53	25.51	.00	.00	873.04

03/06/2019 17:21:15 3181895
 TC298-D SELECTION: SYSTEM
 RECEIPT DATE: ALL
 LOCATION: LOCATION NAME NOT FOUND

TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 FROM: 02/01/2019 THRU 02/28/2019
 JURISDICTION: 0033 CITY OF PHARR

PAGE: 46
 EXCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2006	M & O	.593130	2.25	.00	2.09	.00	4.34	.00	.00	.00	4.34
	I & S	.089990	.34	.00	.32	.00	.66	.00	.00	.00	.66
	TOTAL	.683120	2.59	.00	2.41	.00	5.00	.00	.00	.00	5.00
2005	M & O	.593130	39.10	.00	39.56	.00	78.66	.00	.00	.00	78.66
	I & S	.089990	5.93	.00	6.00	.00	11.93	.00	.00	.00	11.93
	TOTAL	.683120	45.03	.00	45.56	.00	90.59	.00	.00	.00	90.59
2004	M & O	.601650	11.90	.00	14.85	.00	26.75	2.49	.00	.00	29.24
	I & S	.081470	1.61	.00	2.01	.00	3.62	.00	.00	.00	3.62
	TOTAL	.683120	13.51	.00	16.86	.00	30.37	2.49	.00	.00	32.86
2003	M & O	.596220	129.96	.00	196.17	.00	326.13	23.72	.00	.00	349.85
	I & S	.086900	18.93	.00	28.60	.00	47.53	.00	.00	.00	47.53
	TOTAL	.683120	148.89	.00	224.77	.00	373.66	23.72	.00	.00	397.38
2002	M & O	.590210	91.92	.00	136.81	.00	228.73	.00	.00	.00	228.73
	I & S	.099790	15.54	.00	23.13	.00	38.67	.00	.00	.00	38.67
	TOTAL	.690000	107.46	.00	159.94	.00	267.40	.00	.00	.00	267.40
1998	M & O	.505610	5.30	.00	13.40	.00	18.70	.00	.00	.00	18.70
	I & S	.124390	1.30	.00	3.30	.00	4.60	.00	.00	.00	4.60
	TOTAL	.630000	6.60	.00	16.70	.00	23.30	.00	.00	.00	23.30
1997	M & O	.524810	29.16	.00	70.89	.00	100.05	5.39	.00	.00	105.44
	I & S	.075190	4.18	.00	10.15	.00	14.33	.00	.00	.00	14.33
	TOTAL	.600000	33.34	.00	81.04	.00	114.38	5.39	.00	.00	119.77
1996	M & O	.516090	241.63	.00	581.13	.00	822.76	117.14	.00	.00	939.90
	I & S	.083910	39.29	.00	94.49	.00	133.78	.00	.00	.00	133.78
	TOTAL	.600000	280.92	.00	675.62	.00	956.54	117.14	.00	.00	1,073.68
1995	M & O	.510030	254.45	.00	642.48	.00	896.93	130.21	.00	.00	1,027.14
	I & S	.089970	44.88	.00	113.33	.00	158.21	.00	.00	.00	158.21
	TOTAL	.600000	299.33	.00	755.81	.00	1,055.14	130.21	.00	.00	1,185.35
1990	M & O	.473940	13.64	.00	42.65	.00	56.29	8.62	.00	.00	64.91
	I & S	.096060	2.77	.00	8.64	.00	11.41	.00	.00	.00	11.41
	TOTAL	.570000	16.41	.00	51.29	.00	67.70	8.62	.00	.00	76.32
ALL	M & O		1,224,489.62	.00	92,196.38	22,456.42-	1,294,229.58	13,987.28	.00	.00	1,330,673.28
ALL	I & S		176,377.34	.00	13,120.74	3,243.14-	186,254.94	.00	.00	.00	189,498.08
ALL	TOTAL		1,400,866.96	.00	105,317.12	25,699.56-	1,480,484.52	13,987.28	.00	.00	1,520,171.36

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 TC298-D SELECTION: SYSTEM
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TAX COLLECTION SYSTEM
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 EXCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
DLQ	M & O		67,192.24	.00	24,339.06	.00	91,531.30	13,987.28	.00	.00	105,518.58
DLQ	I & S		9,241.51	.00	3,320.97	.00	12,562.48	.00	.00	.00	12,562.48
DLQ	TOTAL		76,433.75	.00	27,660.03	.00	104,093.78	13,987.28	.00	.00	118,081.06
CURR	M & O		1,157,297.38	.00	67,857.32	22,456.42-	1,202,698.28	.00	.00	.00	1,225,154.70
CURR	I & S		167,135.83	.00	9,799.77	3,243.14-	173,692.46	.00	.00	.00	176,935.60
CURR	TOTAL		1,324,433.21	.00	77,657.09	25,699.56-	1,376,390.74	.00	.00	.00	1,402,090.30

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TAX COLLECTION SYSTEM
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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2018	M & O	.567100	1,157,297.38	.00	67,857.32	22,456.42-	1,202,698.28	.00	.00	.00	1,225,154.70
	I & S	.081900	167,135.83	.00	9,799.77	3,243.14-	173,692.46	.00	.00	.00	176,935.60
	TOTAL	.649000	1,324,433.21	.00	77,657.09	25,699.56-	1,376,390.74	.00	.00	.00	1,402,090.30
2017	M & O	.567100	42,368.31	.00	10,403.91	.00	52,772.22	8,879.70	.00	.00	61,651.92
	I & S	.081900	6,118.83	.00	1,502.59	.00	7,621.42	.00	.00	.00	7,621.42
	TOTAL	.649000	48,487.14	.00	11,906.50	.00	60,393.64	8,879.70	.00	.00	69,273.34
2016	M & O	.582100	10,766.98	.00	3,883.93	.00	14,650.91	2,318.34	.00	.00	16,969.25
	I & S	.071900	1,329.89	.00	479.70	.00	1,809.59	.00	.00	.00	1,809.59
	TOTAL	.654000	12,096.87	.00	4,363.63	.00	16,460.50	2,318.34	.00	.00	18,778.84
2015	M & O	.582100	4,179.40	.00	1,941.93	.00	6,121.33	940.98	.00	.00	7,062.31
	I & S	.071900	516.25	.00	239.88	.00	756.13	.00	.00	.00	756.13
	TOTAL	.654000	4,695.65	.00	2,181.81	.00	6,877.46	940.98	.00	.00	7,818.44
2014	M & O	.608100	2,594.19	.00	1,472.14	.00	4,066.33	586.39	.00	.00	4,652.72
	I & S	.071900	306.75	.00	174.04	.00	480.79	.00	.00	.00	480.79
	TOTAL	.680000	2,900.94	.00	1,646.18	.00	4,547.12	586.39	.00	.00	5,133.51
2013	M & O	.605000	1,438.55	.00	952.99	.00	2,391.54	280.85	.00	.00	2,672.39
	I & S	.075000	178.33	.00	118.13	.00	296.46	.00	.00	.00	296.46
	TOTAL	.680000	1,616.88	.00	1,071.12	.00	2,688.00	280.85	.00	.00	2,968.85
2012	M & O	.602600	1,569.98	.00	1,072.45	.00	2,642.43	228.26	.00	.00	2,870.69
	I & S	.077400	201.65	.00	137.77	.00	339.42	.00	.00	.00	339.42
	TOTAL	.680000	1,771.63	.00	1,210.22	.00	2,981.85	228.26	.00	.00	3,210.11
2011	M & O	.602100	990.90	.00	718.48	.00	1,709.38	148.14	.00	.00	1,857.52
	I & S	.077900	128.20	.00	92.96	.00	221.16	.00	.00	.00	221.16
	TOTAL	.680000	1,119.10	.00	811.44	.00	1,930.54	148.14	.00	.00	2,078.68
2010	M & O	.601800	1,089.76	.00	844.19	.00	1,933.95	137.89	.00	.00	2,071.84
	I & S	.078200	141.61	.00	109.69	.00	251.30	.00	.00	.00	251.30
	TOTAL	.680000	1,231.37	.00	953.88	.00	2,185.25	137.89	.00	.00	2,323.14
2009	M & O	.601800	517.27	.00	475.65	.00	992.92	85.17	.00	.00	1,078.09
	I & S	.078200	67.22	.00	61.80	.00	129.02	.00	.00	.00	129.02
	TOTAL	.680000	584.49	.00	537.45	.00	1,121.94	85.17	.00	.00	1,207.11
2008	M & O	.602940	474.72	.00	476.63	.00	951.35	68.48	.00	.00	1,019.83
	I & S	.078910	62.14	.00	62.38	.00	124.52	.00	.00	.00	124.52
	TOTAL	.681850	536.86	.00	539.01	.00	1,075.87	68.48	.00	.00	1,144.35
2007	M & O	.596130	382.87	.00	356.73	.00	739.60	25.51	.00	.00	765.11
	I & S	.086990	55.87	.00	52.06	.00	107.93	.00	.00	.00	107.93
	TOTAL	.683120	438.74	.00	408.79	.00	847.53	25.51	.00	.00	873.04

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TAX COLLECTION SYSTEM
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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2006	M & O	.593130	2.25	.00	2.09	.00	4.34	.00	.00	.00	4.34
	I & S	.089990	.34	.00	.32	.00	.66	.00	.00	.00	.66
	TOTAL	.683120	2.59	.00	2.41	.00	5.00	.00	.00	.00	5.00
2005	M & O	.593130	39.10	.00	39.56	.00	78.66	.00	.00	.00	78.66
	I & S	.089990	5.93	.00	6.00	.00	11.93	.00	.00	.00	11.93
	TOTAL	.683120	45.03	.00	45.56	.00	90.59	.00	.00	.00	90.59
2004	M & O	.601650	11.90	.00	14.85	.00	26.75	2.49	.00	.00	29.24
	I & S	.081470	1.61	.00	2.01	.00	3.62	.00	.00	.00	3.62
	TOTAL	.683120	13.51	.00	16.86	.00	30.37	2.49	.00	.00	32.86
2003	M & O	.596220	129.96	.00	196.17	.00	326.13	23.72	.00	.00	349.85
	I & S	.086900	18.93	.00	28.60	.00	47.53	.00	.00	.00	47.53
	TOTAL	.683120	148.89	.00	224.77	.00	373.66	23.72	.00	.00	397.38
2002	M & O	.590210	91.92	.00	136.81	.00	228.73	.00	.00	.00	228.73
	I & S	.099790	15.54	.00	23.13	.00	38.67	.00	.00	.00	38.67
	TOTAL	.690000	107.46	.00	159.94	.00	267.40	.00	.00	.00	267.40
1998	M & O	.505610	5.30	.00	13.40	.00	18.70	.00	.00	.00	18.70
	I & S	.124390	1.30	.00	3.30	.00	4.60	.00	.00	.00	4.60
	TOTAL	.630000	6.60	.00	16.70	.00	23.30	.00	.00	.00	23.30
1997	M & O	.524810	29.16	.00	70.89	.00	100.05	5.39	.00	.00	105.44
	I & S	.075190	4.18	.00	10.15	.00	14.33	.00	.00	.00	14.33
	TOTAL	.600000	33.34	.00	81.04	.00	114.38	5.39	.00	.00	119.77
1996	M & O	.516090	241.63	.00	581.13	.00	822.76	117.14	.00	.00	939.90
	I & S	.083910	39.29	.00	94.49	.00	133.78	.00	.00	.00	133.78
	TOTAL	.600000	280.92	.00	675.62	.00	956.54	117.14	.00	.00	1,073.68
1995	M & O	.510030	254.45	.00	642.48	.00	896.93	130.21	.00	.00	1,027.14
	I & S	.089970	44.88	.00	113.33	.00	158.21	.00	.00	.00	158.21
	TOTAL	.600000	299.33	.00	755.81	.00	1,055.14	130.21	.00	.00	1,185.35
1990	M & O	.473940	13.64	.00	42.65	.00	56.29	8.62	.00	.00	64.91
	I & S	.096060	2.77	.00	8.64	.00	11.41	.00	.00	.00	11.41
	TOTAL	.570000	16.41	.00	51.29	.00	67.70	8.62	.00	.00	76.32
ALL	M & O		1,224,489.62	.00	92,196.38	22,456.42-	1,294,229.58	13,987.28	.00	.00	1,330,673.28
ALL	I & S		176,377.34	.00	13,120.74	3,243.14-	186,254.94	.00	.00	.00	189,498.08
ALL	TOTAL		1,400,866.96	.00	105,317.12	25,699.56-	1,480,484.52	13,987.28	.00	.00	1,520,171.36

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 TC298-D SELECTION: SYSTEM
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TAX COLLECTION SYSTEM
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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
DLQ	M & O		67,192.24	.00	24,339.06	.00	91,531.30	13,987.28	.00	.00	105,518.58
DLQ	I & S		9,241.51	.00	3,320.97	.00	12,562.48	.00	.00	.00	12,562.48
DLQ	TOTAL		76,433.75	.00	27,660.03	.00	104,093.78	13,987.28	.00	.00	118,081.06
CURR	M & O		1,157,297.38	.00	67,857.32	22,456.42-	1,202,698.28	.00	.00	.00	1,225,154.70
CURR	I & S		167,135.83	.00	9,799.77	3,243.14-	173,692.46	.00	.00	.00	176,935.60
CURR	TOTAL		1,324,433.21	.00	77,657.09	25,699.56-	1,376,390.74	.00	.00	.00	1,402,090.30

TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
FROM 02/01/2019 TO 02/28/2019

EXCLUDES AG ROLLBACK

FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	00.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL

2018	19,278,100.58	12,668.89-	96,048.87-	1,324,433.21	16,848,144.73	2,333,906.98	87.83	0.00
2017	712,866.95	583.87-	32,253.70-	48,487.14	189,277.98	491,335.27	27.81	602.33-
2016	355,416.28	196.20-	1,645.69-	12,096.87	55,607.19	298,163.40	15.72	23.23-
2015	271,695.60	65.40-	3,455.92-	4,695.65	25,915.21	242,324.47	9.66	0.00
2014	176,199.19	68.00-	43.10-	2,900.94	10,162.14	165,993.95	5.77	0.00
2013	114,193.24	.00	0.00	1,616.88	5,973.04	108,220.20	5.23	0.00
2012	105,775.27	.00	0.00	1,771.63	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	1,119.10	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	.00	251.65-	1,231.37	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	584.49	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	536.86	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	438.74	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	2.59	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	45.03	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	13.51	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	148.89	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	107.46	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	0.00	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	0.00	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	0.00	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	6.60	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	630.00	1,481.73	66,232.17	2.19	0.00
****	21,812,288.66	13,582.36-	133,698.93-	1,400,866.96	17,155,993.60	4,522,596.13		877.21-

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TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
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FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	0	0	0	00.649000	3,929.47	0
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
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2017	0.00	.00	3,929.47	0.00	0.00	3,929.47		0.00
2016	3,077.78	.00	4,227.14	0.00	0.00	7,304.92		0.00
2015	3,478.95	.00	4,495.57	0.00	0.00	7,974.52		0.00
2014	3,611.49	.00	4,955.23	0.00	0.00	8,566.72		0.00
2013	3,819.33	.00	5,236.38	0.00	89.36	8,966.35	.99	0.00
2012	0.00	.00	0.00	0.00	0.00	0.00		0.00
****	13,987.55	.00	22,843.79	0.00	89.36	36,741.98		0.00

TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
FROM 02/01/2019 TO 02/28/2019

INCLUDES AG ROLLBACK

FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	00.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
	-----	-----	-----	-----	-----	-----	-----	-----
2018	19,278,100.58	12,668.89-	96,048.87-	1,324,433.21	16,848,144.73	2,333,906.98	87.83	0.00
2017	712,866.95	583.87-	28,324.23-	48,487.14	189,277.98	495,264.74	27.65	602.33-
2016	358,494.06	196.20-	2,581.45	12,096.87	55,607.19	305,468.32	15.40	23.23-
2015	275,174.55	65.40-	1,039.65	4,695.65	25,915.21	250,298.99	9.38	0.00
2014	179,810.68	68.00-	4,912.13	2,900.94	10,162.14	174,560.67	5.50	0.00
2013	118,012.57	.00	5,236.38	1,616.88	6,062.40	117,186.55	4.92	0.00
2012	105,775.27	.00	0.00	1,771.63	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	1,119.10	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	.00	251.65-	1,231.37	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	584.49	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	536.86	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	438.74	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	2.59	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	45.03	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	13.51	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	148.89	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	107.46	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	0.00	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	0.00	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	0.00	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	6.60	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	630.00	1,481.73	66,232.17	2.19	0.00
****	21,826,276.21	13,582.36-	110,855.14-	1,400,866.96	17,156,082.96	4,559,338.11		877.21-

TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
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EXCLUDES AG ROLLBACK

JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	0.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
	-----	-----	-----	-----	-----	-----	-----	-----
2018	19,278,100.58	12,668.89-	96,048.87-	1,324,433.21	16,848,144.73	2,333,906.98	87.83	0.00
ADJUSTMENT REFUNDS		6,651.93-	13,180.80-					
2017	712,866.95	583.87-	32,253.70-	48,487.14	189,277.98	491,335.27	27.81	602.33-
ADJUSTMENT REFUNDS		415.46-	30,444.49-					
2016	355,416.28	196.20-	1,645.69-	12,096.87	55,607.19	298,163.40	15.72	23.23-
ADJUSTMENT REFUNDS		196.20-	1,406.11-					
2015	271,695.60	65.40-	3,455.92-	4,695.65	25,915.21	242,324.47	9.66	0.00
ADJUSTMENT REFUNDS		65.40-	920.06-					
2014	176,199.19	68.00-	43.10-	2,900.94	10,162.14	165,993.95	5.77	0.00
ADJUSTMENT REFUNDS		68.00-	68.00-					
2013	114,193.24	.00	0.00	1,616.88	5,973.04	108,220.20	5.23	0.00
2012	105,775.27	.00	0.00	1,771.63	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	1,119.10	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	.00	251.65-	1,231.37	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	584.49	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	536.86	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	438.74	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	2.59	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	45.03	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	13.51	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	148.89	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	107.46	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	0.00	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	0.00	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	0.00	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	6.60	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	630.00	1,481.73	66,232.17	2.19	0.00
****	21,812,288.66	13,582.36-	133,698.93-	1,400,866.96	17,155,993.60	4,522,596.13		877.21-
ADJUSTMENT REFUNDS		7,396.99-	46,019.46-					

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TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
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JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
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CURRENT YEAR	0	0	0	0.649000	3,929.47	0
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
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2017	0.00	.00	3,929.47	0.00	0.00	3,929.47		0.00
ADJUSTMENT REFUNDS		415.46-	30,444.49-					
2016	3,077.78	.00	4,227.14	0.00	0.00	7,304.92		0.00
ADJUSTMENT REFUNDS		196.20-	1,406.11-					
2015	3,478.95	.00	4,495.57	0.00	0.00	7,974.52		0.00
ADJUSTMENT REFUNDS		65.40-	920.06-					
2014	3,611.49	.00	4,955.23	0.00	0.00	8,566.72		0.00
ADJUSTMENT REFUNDS		68.00-	68.00-					
2013	3,819.33	.00	5,236.38	0.00	89.36	8,966.35	.99	0.00
2012	0.00	.00	0.00	0.00	0.00	0.00		0.00
****	13,987.55	.00	22,843.79	0.00	89.36	36,741.98		0.00
ADJUSTMENT REFUNDS		745.06-	32,838.66-					

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JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	0.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
	-----	-----	-----	-----	-----	-----	-----	-----
2018	19,278,100.58	12,668.89-	96,048.87-	1,324,433.21	16,848,144.73	2,333,906.98	87.83	0.00
ADJUSTMENT REFUNDS		6,651.93-	13,180.80-					
2017	712,866.95	583.87-	28,324.23-	48,487.14	189,277.98	495,264.74	27.65	602.33-
ADJUSTMENT REFUNDS		415.46-	30,444.49-					
2016	358,494.06	196.20-	2,581.45	12,096.87	55,607.19	305,468.32	15.40	23.23-
ADJUSTMENT REFUNDS		196.20-	1,406.11-					
2015	275,174.55	65.40-	1,039.65	4,695.65	25,915.21	250,298.99	9.38	0.00
ADJUSTMENT REFUNDS		65.40-	920.06-					
2014	179,810.68	68.00-	4,912.13	2,900.94	10,162.14	174,560.67	5.50	0.00
ADJUSTMENT REFUNDS		68.00-	68.00-					
2013	118,012.57	.00	5,236.38	1,616.88	6,062.40	117,186.55	4.92	0.00
2012	105,775.27	.00	0.00	1,771.63	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	1,119.10	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	.00	251.65-	1,231.37	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	584.49	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	536.86	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	438.74	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	2.59	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	45.03	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	13.51	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	148.89	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	107.46	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	0.00	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	0.00	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	0.00	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	6.60	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	630.00	1,481.73	66,232.17	2.19	0.00
****	21,826,276.21	13,582.36-	110,855.14-	1,400,866.96	17,156,082.96	4,559,338.11		877.21-
ADJUSTMENT REFUNDS		7,396.99-	46,019.46-					

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TAX COLLECTION SYSTEM
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YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2018	M & O	.567100	14,722,008.49	.00	67,857.32	896,068.08-	13,893,797.73	.00	.00	.00	14,789,865.81
	I & S	.081900	2,126,136.24	.00	9,799.77	129,409.18-	2,006,526.83	.00	.00	.00	2,135,936.01
	TOTAL	.649000	16,848,144.73	.00	77,657.09	1,025,477.26-	15,900,324.56	.00	.00	.00	16,925,801.82
2017	M & O	.567100	165,392.32	.00	41,935.24	1,296.28-	206,031.28	37,881.82	.00	.00	245,209.38
	I & S	.081900	23,885.66	.00	6,056.39	187.20-	29,754.85	.00	.00	.00	29,942.05
	TOTAL	.649000	189,277.98	.00	47,991.63	1,483.48-	235,786.13	37,881.82	.00	.00	275,151.43
2016	M & O	.582100	49,493.80	.00	16,752.89	176.91-	66,069.78	10,485.89	.00	.00	76,732.58
	I & S	.071900	6,113.39	.00	2,069.20	21.86-	8,160.73	.00	.00	.00	8,182.59
	TOTAL	.654000	55,607.19	.00	18,822.09	198.77-	74,230.51	10,485.89	.00	.00	84,915.17
2015	M & O	.582100	23,066.15	.00	10,544.14	47.50-	33,562.79	5,309.59	.00	.00	38,919.88
	I & S	.071900	2,849.06	.00	1,302.33	5.87-	4,145.52	.00	.00	.00	4,151.39
	TOTAL	.654000	25,915.21	.00	11,846.47	53.37-	37,708.31	5,309.59	.00	.00	43,071.27
2014	M & O	.608100	9,087.62	.00	4,920.33	.00	14,007.95	1,928.08	.00	.00	15,936.03
	I & S	.071900	1,074.52	.00	581.76	.00	1,656.28	.00	.00	.00	1,656.28
	TOTAL	.680000	10,162.14	.00	5,502.09	.00	15,664.23	1,928.08	.00	.00	17,592.31
2013	M & O	.605000	5,314.21	.00	3,297.98	.00	8,612.19	900.36	.00	.00	9,512.55
	I & S	.075000	658.83	.00	408.82	.00	1,067.65	.00	.00	.00	1,067.65
	TOTAL	.680000	5,973.04	.00	3,706.80	.00	9,679.84	900.36	.00	.00	10,580.20
2012	M & O	.602600	3,645.55	.00	2,500.15	.00	6,145.70	546.88	.00	.00	6,692.58
	I & S	.077400	468.24	.00	321.14	.00	789.38	.00	.00	.00	789.38
	TOTAL	.680000	4,113.79	.00	2,821.29	.00	6,935.08	546.88	.00	.00	7,481.96
2011	M & O	.602100	2,810.20	.00	2,124.91	.00	4,935.11	536.98	.00	.00	5,472.09
	I & S	.077900	363.58	.00	274.95	.00	638.53	.00	.00	.00	638.53
	TOTAL	.680000	3,173.78	.00	2,399.86	.00	5,573.64	536.98	.00	.00	6,110.62
2010	M & O	.601800	2,277.81	.00	1,872.06	.00	4,149.87	385.51	.00	.00	4,535.38
	I & S	.078200	296.00	.00	243.27	.00	539.27	.00	.00	.00	539.27
	TOTAL	.680000	2,573.81	.00	2,115.33	.00	4,689.14	385.51	.00	.00	5,074.65
2009	M & O	.601800	1,235.69	.00	1,103.12	.00	2,338.81	190.67	.00	.00	2,529.48
	I & S	.078200	160.56	.00	143.35	.00	303.91	.00	.00	.00	303.91
	TOTAL	.680000	1,396.25	.00	1,246.47	.00	2,642.72	190.67	.00	.00	2,833.39
2008	M & O	.602940	1,552.49	.00	1,807.96	.00	3,360.45	325.72	.00	.00	3,686.17
	I & S	.078910	203.21	.00	236.62	.00	439.83	.00	.00	.00	439.83
	TOTAL	.681850	1,755.70	.00	2,044.58	.00	3,800.28	325.72	.00	.00	4,126.00
2007	M & O	.596130	1,245.29	.00	1,463.65	.00	2,708.94	318.99	.00	.00	3,027.93
	I & S	.086990	181.72	.00	213.60	.00	395.32	.00	.00	.00	395.32
	TOTAL	.683120	1,427.01	.00	1,677.25	.00	3,104.26	318.99	.00	.00	3,423.25

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YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2006	M & O	.593130	891.54	.00	1,046.34	.00	1,937.88	188.74	.00	.00	2,126.62
	I & S	.089990	135.25	.00	158.75	.00	294.00	.00	.00	.00	294.00
	TOTAL	.683120	1,026.79	.00	1,205.09	.00	2,231.88	188.74	.00	.00	2,420.62
2005	M & O	.593130	608.09	.00	740.77	.00	1,348.86	19.76	.00	.00	1,368.62
	I & S	.089990	92.26	.00	112.39	.00	204.65	.00	.00	.00	204.65
	TOTAL	.683120	700.35	.00	853.16	.00	1,553.51	19.76	.00	.00	1,573.27
2004	M & O	.601650	676.81	.00	916.18	.00	1,592.99	51.50	.00	.00	1,644.49
	I & S	.081470	91.65	.00	124.08	.00	215.73	.00	.00	.00	215.73
	TOTAL	.683120	768.46	.00	1,040.26	.00	1,808.72	51.50	.00	.00	1,860.22
2003	M & O	.596220	853.49	.00	1,235.42	.00	2,088.91	66.41	.00	.00	2,155.32
	I & S	.086900	124.38	.00	180.04	.00	304.42	.00	.00	.00	304.42
	TOTAL	.683120	977.87	.00	1,415.46	.00	2,393.33	66.41	.00	.00	2,459.74
2002	M & O	.590210	651.59	.00	1,092.54	.00	1,744.13	110.31	.00	.00	1,854.44
	I & S	.099790	110.16	.00	184.72	.00	294.88	.00	.00	.00	294.88
	TOTAL	.690000	761.75	.00	1,277.26	.00	2,039.01	110.31	.00	.00	2,149.32
2001	M & O	.564720	232.61	.00	460.73	.00	693.34	17.72	.00	.00	711.06
	I & S	.097590	40.21	.00	79.64	.00	119.85	.00	.00	.00	119.85
	TOTAL	.662310	272.82	.00	540.37	.00	813.19	17.72	.00	.00	830.91
2000	M & O	.533960	132.10	.00	301.18	.00	433.28	.00	.00	.00	433.28
	I & S	.108350	26.80	.00	61.11	.00	87.91	.00	.00	.00	87.91
	TOTAL	.642310	158.90	.00	362.29	.00	521.19	.00	.00	.00	521.19
1999	M & O	.529360	130.96	.00	314.30	.00	445.26	.00	.00	.00	445.26
	I & S	.112950	27.94	.00	67.06	.00	95.00	.00	.00	.00	95.00
	TOTAL	.642310	158.90	.00	381.36	.00	540.26	.00	.00	.00	540.26
1998	M & O	.505610	132.75	.00	334.51	.00	467.26	.00	.00	.00	467.26
	I & S	.124390	32.65	.00	82.30	.00	114.95	.00	.00	.00	114.95
	TOTAL	.630000	165.40	.00	416.81	.00	582.21	.00	.00	.00	582.21
1997	M & O	.524810	390.88	.00	954.91	.00	1,345.79	69.08	.00	.00	1,414.87
	I & S	.075190	55.99	.00	136.81	.00	192.80	.00	.00	.00	192.80
	TOTAL	.600000	446.87	.00	1,091.72	.00	1,538.59	69.08	.00	.00	1,607.67
1996	M & O	.516090	363.37	.00	907.20	.00	1,270.57	117.14	.00	.00	1,387.71
	I & S	.083910	59.09	.00	147.50	.00	206.59	.00	.00	.00	206.59
	TOTAL	.600000	422.46	.00	1,054.70	.00	1,477.16	117.14	.00	.00	1,594.30
1995	M & O	.510030	401.32	.00	1,048.02	.00	1,449.34	146.42	.00	.00	1,595.76
	I & S	.089970	70.79	.00	184.87	.00	255.66	.00	.00	.00	255.66
	TOTAL	.600000	472.11	.00	1,232.89	.00	1,705.00	146.42	.00	.00	1,851.42

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YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
1994	M & O	.471740	102.52	.00	307.57	.00	410.09	.00	.00	.00	410.09
	I & S	.098260	21.36	.00	64.07	.00	85.43	.00	.00	.00	85.43
	TOTAL	.570000	123.88	.00	371.64	.00	495.52	.00	.00	.00	495.52
1990	M & O	.473940	13.64	.00	42.65	.00	56.29	8.62	.00	.00	64.91
	I & S	.096060	2.77	.00	8.64	.00	11.41	.00	.00	.00	11.41
	TOTAL	.570000	16.41	.00	51.29	.00	67.70	8.62	.00	.00	76.32
ALL	M & O		14,992,711.29	.00	165,882.07	897,588.77-	14,261,004.59	59,606.19	.00	.00	15,218,199.55
ALL	I & S		2,163,282.31	.00	23,243.18	129,624.11-	2,056,901.38	.00	.00	.00	2,186,525.49
ALL	TOTAL		17,155,993.60	.00	189,125.25	1,027,212.88-	16,317,905.97	59,606.19	.00	.00	17,404,725.04
DLQ	M & O		270,702.80	.00	98,024.75	1,520.69-	367,206.86	59,606.19	.00	.00	428,333.74
DLQ	I & S		37,146.07	.00	13,443.41	214.93-	50,374.55	.00	.00	.00	50,589.48
DLQ	TOTAL		307,848.87	.00	111,468.16	1,735.62-	417,581.41	59,606.19	.00	.00	478,923.22
CURR	M & O		14,722,008.49	.00	67,857.32	896,068.08-	13,893,797.73	.00	.00	.00	14,789,865.81
CURR	I & S		2,126,136.24	.00	9,799.77	129,409.18-	2,006,526.83	.00	.00	.00	2,135,936.01
CURR	TOTAL		16,848,144.73	.00	77,657.09	1,025,477.26-	15,900,324.56	.00	.00	.00	16,925,801.82

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
FROM: 10/01/2018 THRU 02/28/2019
JURISDICTION: 0033 CITY OF PHARR

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 TC298-D SELECTION: SYSTEM
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TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 FROM: 10/01/2018 THRU 02/28/2019
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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2018	M & O	.567100	14,722,008.49	.00	67,857.32	896,068.08-	13,893,797.73	.00	.00	.00	14,789,865.81
	I & S	.081900	2,126,136.24	.00	9,799.77	129,409.18-	2,006,526.83	.00	.00	.00	2,135,936.01
	TOTAL	.649000	16,848,144.73	.00	77,657.09	1,025,477.26-	15,900,324.56	.00	.00	.00	16,925,801.82
2017	M & O	.567100	165,392.32	.00	41,935.24	1,296.28-	206,031.28	37,881.82	.00	.00	245,209.38
	I & S	.081900	23,885.66	.00	6,056.39	187.20-	29,754.85	.00	.00	.00	29,942.05
	TOTAL	.649000	189,277.98	.00	47,991.63	1,483.48-	235,786.13	37,881.82	.00	.00	275,151.43
2016	M & O	.582100	49,493.80	.00	16,752.89	176.91-	66,069.78	10,485.89	.00	.00	76,732.58
	I & S	.071900	6,113.39	.00	2,069.20	21.86-	8,160.73	.00	.00	.00	8,182.59
	TOTAL	.654000	55,607.19	.00	18,822.09	198.77-	74,230.51	10,485.89	.00	.00	84,915.17
2015	M & O	.582100	23,066.15	.00	10,544.14	47.50-	33,562.79	5,309.59	.00	.00	38,919.88
	I & S	.071900	2,849.06	.00	1,302.33	5.87-	4,145.52	.00	.00	.00	4,151.39
	TOTAL	.654000	25,915.21	.00	11,846.47	53.37-	37,708.31	5,309.59	.00	.00	43,071.27
2014	M & O	.608100	9,087.62	.00	4,920.33	.00	14,007.95	1,928.08	.00	.00	15,936.03
	I & S	.071900	1,074.52	.00	581.76	.00	1,656.28	.00	.00	.00	1,656.28
	TOTAL	.680000	10,162.14	.00	5,502.09	.00	15,664.23	1,928.08	.00	.00	17,592.31
2013	M & O	.605000	5,393.71	.00	3,297.98	.00	8,691.69	900.36	.00	.00	9,592.05
	I & S	.075000	668.69	.00	408.82	.00	1,077.51	.00	.00	.00	1,077.51
	TOTAL	.680000	6,062.40	.00	3,706.80	.00	9,769.20	900.36	.00	.00	10,669.56
2012	M & O	.602600	3,645.55	.00	2,500.15	.00	6,145.70	546.88	.00	.00	6,692.58
	I & S	.077400	468.24	.00	321.14	.00	789.38	.00	.00	.00	789.38
	TOTAL	.680000	4,113.79	.00	2,821.29	.00	6,935.08	546.88	.00	.00	7,481.96
2011	M & O	.602100	2,810.20	.00	2,124.91	.00	4,935.11	536.98	.00	.00	5,472.09
	I & S	.077900	363.58	.00	274.95	.00	638.53	.00	.00	.00	638.53
	TOTAL	.680000	3,173.78	.00	2,399.86	.00	5,573.64	536.98	.00	.00	6,110.62
2010	M & O	.601800	2,277.81	.00	1,872.06	.00	4,149.87	385.51	.00	.00	4,535.38
	I & S	.078200	296.00	.00	243.27	.00	539.27	.00	.00	.00	539.27
	TOTAL	.680000	2,573.81	.00	2,115.33	.00	4,689.14	385.51	.00	.00	5,074.65
2009	M & O	.601800	1,235.69	.00	1,103.12	.00	2,338.81	190.67	.00	.00	2,529.48
	I & S	.078200	160.56	.00	143.35	.00	303.91	.00	.00	.00	303.91
	TOTAL	.680000	1,396.25	.00	1,246.47	.00	2,642.72	190.67	.00	.00	2,833.39
2008	M & O	.602940	1,552.49	.00	1,807.96	.00	3,360.45	325.72	.00	.00	3,686.17
	I & S	.078910	203.21	.00	236.62	.00	439.83	.00	.00	.00	439.83
	TOTAL	.681850	1,755.70	.00	2,044.58	.00	3,800.28	325.72	.00	.00	4,126.00
2007	M & O	.596130	1,245.29	.00	1,463.65	.00	2,708.94	318.99	.00	.00	3,027.93
	I & S	.086990	181.72	.00	213.60	.00	395.32	.00	.00	.00	395.32
	TOTAL	.683120	1,427.01	.00	1,677.25	.00	3,104.26	318.99	.00	.00	3,423.25

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 TC298-D SELECTION: SYSTEM
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TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
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 JURISDICTION: 0033 CITY OF PHARR

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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2006	M & O	.593130	891.54	.00	1,046.34	.00	1,937.88	188.74	.00	.00	2,126.62
	I & S	.089990	135.25	.00	158.75	.00	294.00	.00	.00	.00	294.00
	TOTAL	.683120	1,026.79	.00	1,205.09	.00	2,231.88	188.74	.00	.00	2,420.62
2005	M & O	.593130	608.09	.00	740.77	.00	1,348.86	19.76	.00	.00	1,368.62
	I & S	.089990	92.26	.00	112.39	.00	204.65	.00	.00	.00	204.65
	TOTAL	.683120	700.35	.00	853.16	.00	1,553.51	19.76	.00	.00	1,573.27
2004	M & O	.601650	676.81	.00	916.18	.00	1,592.99	51.50	.00	.00	1,644.49
	I & S	.081470	91.65	.00	124.08	.00	215.73	.00	.00	.00	215.73
	TOTAL	.683120	768.46	.00	1,040.26	.00	1,808.72	51.50	.00	.00	1,860.22
2003	M & O	.596220	853.49	.00	1,235.42	.00	2,088.91	66.41	.00	.00	2,155.32
	I & S	.086900	124.38	.00	180.04	.00	304.42	.00	.00	.00	304.42
	TOTAL	.683120	977.87	.00	1,415.46	.00	2,393.33	66.41	.00	.00	2,459.74
2002	M & O	.590210	651.59	.00	1,092.54	.00	1,744.13	110.31	.00	.00	1,854.44
	I & S	.099790	110.16	.00	184.72	.00	294.88	.00	.00	.00	294.88
	TOTAL	.690000	761.75	.00	1,277.26	.00	2,039.01	110.31	.00	.00	2,149.32
2001	M & O	.564720	232.61	.00	460.73	.00	693.34	17.72	.00	.00	711.06
	I & S	.097590	40.21	.00	79.64	.00	119.85	.00	.00	.00	119.85
	TOTAL	.662310	272.82	.00	540.37	.00	813.19	17.72	.00	.00	830.91
2000	M & O	.533960	132.10	.00	301.18	.00	433.28	.00	.00	.00	433.28
	I & S	.108350	26.80	.00	61.11	.00	87.91	.00	.00	.00	87.91
	TOTAL	.642310	158.90	.00	362.29	.00	521.19	.00	.00	.00	521.19
1999	M & O	.529360	130.96	.00	314.30	.00	445.26	.00	.00	.00	445.26
	I & S	.112950	27.94	.00	67.06	.00	95.00	.00	.00	.00	95.00
	TOTAL	.642310	158.90	.00	381.36	.00	540.26	.00	.00	.00	540.26
1998	M & O	.505610	132.75	.00	334.51	.00	467.26	.00	.00	.00	467.26
	I & S	.124390	32.65	.00	82.30	.00	114.95	.00	.00	.00	114.95
	TOTAL	.630000	165.40	.00	416.81	.00	582.21	.00	.00	.00	582.21
1997	M & O	.524810	390.88	.00	954.91	.00	1,345.79	69.08	.00	.00	1,414.87
	I & S	.075190	55.99	.00	136.81	.00	192.80	.00	.00	.00	192.80
	TOTAL	.600000	446.87	.00	1,091.72	.00	1,538.59	69.08	.00	.00	1,607.67
1996	M & O	.516090	363.37	.00	907.20	.00	1,270.57	117.14	.00	.00	1,387.71
	I & S	.083910	59.09	.00	147.50	.00	206.59	.00	.00	.00	206.59
	TOTAL	.600000	422.46	.00	1,054.70	.00	1,477.16	117.14	.00	.00	1,594.30
1995	M & O	.510030	401.32	.00	1,048.02	.00	1,449.34	146.42	.00	.00	1,595.76
	I & S	.089970	70.79	.00	184.87	.00	255.66	.00	.00	.00	255.66
	TOTAL	.600000	472.11	.00	1,232.89	.00	1,705.00	146.42	.00	.00	1,851.42

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 TC298-D SELECTION: SYSTEM
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TAX COLLECTION SYSTEM
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 JURISDICTION: 0033 CITY OF PHARR

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 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
1994	M & O	.471740	102.52	.00	307.57	.00	410.09	.00	.00	.00	410.09
	I & S	.098260	21.36	.00	64.07	.00	85.43	.00	.00	.00	85.43
	TOTAL	.570000	123.88	.00	371.64	.00	495.52	.00	.00	.00	495.52
1990	M & O	.473940	13.64	.00	42.65	.00	56.29	8.62	.00	.00	64.91
	I & S	.096060	2.77	.00	8.64	.00	11.41	.00	.00	.00	11.41
	TOTAL	.570000	16.41	.00	51.29	.00	67.70	8.62	.00	.00	76.32
ALL	M & O		14,992,790.79	.00	165,882.07	897,588.77-	14,261,084.09	59,606.19	.00	.00	15,218,279.05
ALL	I & S		2,163,292.17	.00	23,243.18	129,624.11-	2,056,911.24	.00	.00	.00	2,186,535.35
ALL	TOTAL		17,156,082.96	.00	189,125.25	1,027,212.88-	16,317,995.33	59,606.19	.00	.00	17,404,814.40
DLQ	M & O		270,782.30	.00	98,024.75	1,520.69-	367,286.36	59,606.19	.00	.00	428,413.24
DLQ	I & S		37,155.93	.00	13,443.41	214.93-	50,384.41	.00	.00	.00	50,599.34
DLQ	TOTAL		307,938.23	.00	111,468.16	1,735.62-	417,670.77	59,606.19	.00	.00	479,012.58
CURR	M & O		14,722,008.49	.00	67,857.32	896,068.08-	13,893,797.73	.00	.00	.00	14,789,865.81
CURR	I & S		2,126,136.24	.00	9,799.77	129,409.18-	2,006,526.83	.00	.00	.00	2,135,936.01
CURR	TOTAL		16,848,144.73	.00	77,657.09	1,025,477.26-	15,900,324.56	.00	.00	.00	16,925,801.82

TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
FROM 10/01/2018 TO 02/28/2019

EXCLUDES AG ROLLBACK

FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	00.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
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2018	19,278,100.58	96,048.87-	96,048.87-	16,848,144.73	16,848,144.73	2,333,906.98	87.83	0.00
2017	712,866.95	32,253.70-	32,253.70-	189,277.98	189,277.98	491,335.27	27.81	602.33-
2016	355,416.28	1,645.69-	1,645.69-	55,607.19	55,607.19	298,163.40	15.72	23.23-
2015	271,695.60	3,455.92-	3,455.92-	25,915.21	25,915.21	242,324.47	9.66	0.00
2014	176,199.19	43.10-	43.10-	10,162.14	10,162.14	165,993.95	5.77	0.00
2013	114,193.24	.00	0.00	5,973.04	5,973.04	108,220.20	5.23	0.00
2012	105,775.27	.00	0.00	4,113.79	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	3,173.78	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	251.65-	251.65-	2,573.81	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	1,396.25	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	1,755.70	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	1,427.01	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	1,026.79	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	700.35	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	768.46	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	977.87	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	761.75	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	272.82	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	158.90	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	158.90	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	165.40	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	1,481.73	1,481.73	66,232.17	2.19	0.00
****	21,812,288.66	133,698.93-	133,698.93-	17,155,993.60	17,155,993.60	4,522,596.13		877.21-

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TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
FROM 10/01/2018 TO 02/28/2019

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FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	0	0	0	00.649000	3,929.47	0
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
	-----	-----	-----	-----	-----	-----	-----	-----
2017	0.00	3,929.47	3,929.47	0.00	0.00	3,929.47		0.00
2016	3,077.78	4,227.14	4,227.14	0.00	0.00	7,304.92		0.00
2015	3,478.95	4,495.57	4,495.57	0.00	0.00	7,974.52		0.00
2014	3,611.49	4,955.23	4,955.23	0.00	0.00	8,566.72		0.00
2013	3,819.33	5,236.38	5,236.38	89.36	89.36	8,966.35	.99	0.00
2012	0.00	.00	0.00	0.00	0.00	0.00		0.00
****	13,987.55	22,843.79	22,843.79	89.36	89.36	36,741.98		0.00

FISCAL START: 10/01/2018 END: 09/30/2019 JURISDICTION: 0033 CITY OF PHARR

	CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
	-----	-----	-----	-----	-----	-----
CURRENT YEAR	2,997,302,822	14,377,679-	2,982,925,143	00.649000	19,182,051.71	21,894
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YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
2018	19,278,100.58	96,048.87-	96,048.87-	16,848,144.73	16,848,144.73	2,333,906.98	87.83	0.00
2017	712,866.95	28,324.23-	28,324.23-	189,277.98	189,277.98	495,264.74	27.65	602.33-
2016	358,494.06	2,581.45	2,581.45	55,607.19	55,607.19	305,468.32	15.40	23.23-
2015	275,174.55	1,039.65	1,039.65	25,915.21	25,915.21	250,298.99	9.38	0.00
2014	179,810.68	4,912.13	4,912.13	10,162.14	10,162.14	174,560.67	5.50	0.00
2013	118,012.57	5,236.38	5,236.38	6,062.40	6,062.40	117,186.55	4.92	0.00
2012	105,775.27	.00	0.00	4,113.79	4,113.79	101,661.48	3.89	0.00
2011	95,875.49	.00	0.00	3,173.78	3,173.78	92,701.71	3.31	0.00
2010	92,203.13	251.65-	251.65-	2,573.81	2,573.81	89,377.67	2.80	251.65-
2009	87,272.69	.00	0.00	1,396.25	1,396.25	85,876.44	1.60	0.00
2008	70,215.03	.00	0.00	1,755.70	1,755.70	68,459.33	2.50	0.00
2007	62,736.17	.00	0.00	1,427.01	1,427.01	61,309.16	2.27	0.00
2006	58,758.77	.00	0.00	1,026.79	1,026.79	57,731.98	1.75	0.00
2005	52,131.32	.00	0.00	700.35	700.35	51,430.97	1.34	0.00
2004	51,678.52	.00	0.00	768.46	768.46	50,910.06	1.49	0.00
2003	41,836.12	.00	0.00	977.87	977.87	40,858.25	2.34	0.00
2002	35,550.37	.00	0.00	761.75	761.75	34,788.62	2.14	0.00
2001	26,587.97	.00	0.00	272.82	272.82	26,315.15	1.03	0.00
2000	23,068.30	.00	0.00	158.90	158.90	22,909.40	.69	0.00
1999	18,407.18	.00	0.00	158.90	158.90	18,248.28	.86	0.00
1998	14,006.59	.00	0.00	165.40	165.40	13,841.19	1.18	0.00
1997	67,713.90	.00	0.00	1,481.73	1,481.73	66,232.17	2.19	0.00
****	21,826,276.21	110,855.14-	110,855.14-	17,156,082.96	17,156,082.96	4,559,338.11		877.21-

TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 JURISDICTION SUMMARY

FROM: 02/01/2019 THRU 02/28/2019

UPDATE MODE

JURISDICTION: ALL

ACCOUNT	YEAR	DEPOSIT	LEVY COLLECTED	RENDITION PENALTY	P & I COLLECTED	RENDITION P & I	RENDITION DISCOUNT	APPRAISAL COMMISSION	DISBURSEMENT AMOUNT
CURR FOR 0032 CITY OF MISSION			3,855.57	397.11	178.47	21.24	0.00	20.91	4,013.13
BY COUNTY 108			3,855.57	397.11	178.47	21.24	0.00	20.91	4,013.13
DELQ FOR 0032 CITY OF MISSION			285.71	42.51	110.72	16.01	0.00	2.92	393.51
BY COUNTY 108			285.71	42.51	110.72	16.01	0.00	2.92	393.51
TOTAL FOR 0032 CITY OF MISSION			4,141.28	439.62	289.19	37.25	0.00	23.83	4,406.64
BY COUNTY 108			4,141.28	439.62	289.19	37.25	0.00	23.83	4,406.64
CURR FOR 0033 CITY OF PHARR			13,035.35	1,319.55	773.29	79.58	0.00	70.01	13,738.63
BY COUNTY 108			13,035.35	1,319.55	773.29	79.58	0.00	70.01	13,738.63
DELQ FOR 0033 CITY OF PHARR			935.65	89.53	313.42	30.04	0.00	5.95	1,243.12
BY COUNTY 108			935.65	89.53	313.42	30.04	0.00	5.95	1,243.12
TOTAL FOR 0033 CITY OF PHARR			13,971.00	1,409.08	1,086.71	109.62	0.00	75.96	14,981.75
BY COUNTY 108			13,971.00	1,409.08	1,086.71	109.62	0.00	75.96	14,981.75
CURR FOR 0034 CITY OF PENITAS			504.59	45.87	7.64	0.69	0.00	2.33	509.90
BY COUNTY 108			504.59	45.87	7.64	0.69	0.00	2.33	509.90
DELQ FOR 0034 CITY OF PENITAS			180.52	16.42	66.10	6.02	0.00	1.13	245.49
BY COUNTY 108			180.52	16.42	66.10	6.02	0.00	1.13	245.49
TOTAL FOR 0034 CITY OF PENITAS			685.11	62.29	73.74	6.71	0.00	3.46	755.39
BY COUNTY 108			685.11	62.29	73.74	6.71	0.00	3.46	755.39
CURR FOR 0035 CITY OF LA JOYA			59.90	5.69	3.41	0.31	0.00	0.30	63.01
BY COUNTY 108			59.90	5.69	3.41	0.31	0.00	0.30	63.01
DELQ FOR 0035 CITY OF LA JOYA			0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR 0035 CITY OF LA JOYA			59.90	5.69	3.41	0.31	0.00	0.30	63.01
BY COUNTY 108			59.90	5.69	3.41	0.31	0.00	0.30	63.01
CURR FOR 0036 CITY OF PROGRESO			0.00	0.00	0.00	0.00	0.00	0.00	0.00
DELQ FOR 0036 CITY OF PROGRESO			61.10	5.56	23.13	2.10	0.00	0.38	83.85
BY COUNTY 108			61.10	5.56	23.13	2.10	0.00	0.38	83.85
TOTAL FOR 0036 CITY OF PROGRESO			61.10	5.56	23.13	2.10	0.00	0.38	83.85
BY COUNTY 108			61.10	5.56	23.13	2.10	0.00	0.38	83.85
CURR FOR 0037 CITY OF SAN JUAN			1,060.41	132.07	49.81	8.29	0.00	6.99	1,103.23
BY COUNTY 108			1,060.41	132.07	49.81	8.29	0.00	6.99	1,103.23
DELQ FOR 0037 CITY OF SAN JUAN			511.48	55.22	146.40	16.36	0.00	3.59	654.29
BY COUNTY 108			511.48	55.22	146.40	16.36	0.00	3.59	654.29
TOTAL FOR 0037 CITY OF SAN JUAN			1,571.89	187.29	196.21	24.65	0.00	10.58	1,757.52
BY COUNTY 108			1,571.89	187.29	196.21	24.65	0.00	10.58	1,757.52
CURR FOR 0039 CITY OF SULLIVAN			1,005.19	91.86	68.85	6.26	0.00	4.90	1,069.14
BY COUNTY 108			1,005.19	91.86	68.85	6.26	0.00	4.90	1,069.14
DELQ FOR 0039 CITY OF SULLIVAN			0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR 0039 CITY OF SULLIVAN			1,005.19	91.86	68.85	6.26	0.00	4.90	1,069.14
BY COUNTY 108			1,005.19	91.86	68.85	6.26	0.00	4.90	1,069.14



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.C.

DATE SUBMITTED: March 7, 2019

MEETING DATE: March 18, 2019

FROM: Karla Moya, Finance Director

DEPARTMENT: Finance

DIRECTOR:

Agenda Item: Submission of the Audited Financial Statements for FY 2017-2018.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: City undergoes a financial and internal control external audit as required by state law. The report presented is for FY 2017.2018 with an **unmodified opinion (clean opinion)**, meaning that is the Auditor's opinion that the City Financial Statements and component units are presented fairly, in all materials aspects and no material weaknesses were identified.

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Karla Moya

Created/Initiated - 3/7/2019

Karla Moya

Approved - 3/13/2019

Patricia Rigney

Approved - 3/13/2019

City Management Office

Final Approval - 3/14/2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT CITY OF PHARR, TEXAS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018



City of Pharr, TX

Comprehensive Annual Financial Report

For the Fiscal Year Ended
September 30, 2018

ELECTED OFFICIALS

Ambrosio “Amos” Hernandez - Mayor

Eleazar Guajardo
Ramiro Caballero
Ricardo Medina

Bobby Carrillo
Daniel Chavez
Mario Bracamontes

CITY MANAGER

Alex Meade

FINANCE DIRECTOR

Karla Saavedra, CGFO

INDEPENDENT AUDITORS

Oscar R. Gonzalez, C.P.A. & Associates, P.L.L.C.
Certified Public Accountants

Prepared by:



Dr. Ambrosio Hernandez
Mayor



Eleazar Guarardo
Commissioner Place 1



Roberto "Bobby" Carrillo
Commissioner Place 2



Ramiro Caballero
Commissioner Place 3



Daniel Chavez
Commissioner Place 4



Ricardo Medina
Commissioner Place 5



Mario A. Bracamontes
Commissioner Place 6



Alex Meade
City Manager



CITY OF PHARR, TX
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2018

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INTRODUCTORY SECTION



Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

March 18, 2019

To the Honorable Mayor, Members of the City Commission, and Citizens
of the City of Pharr, Texas:

The Finance Department and the City Manager's Office are pleased to submit the Comprehensive Annual Financial Report for the City of Pharr, Texas for the fiscal year ended September 30, 2018. State law requires that the City publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Oscar R. Gonzalez, CPA and Associates, P.L.L.C. have issued an unmodified ("clean") opinion on the City of Pharr's financial statements for the year ended September 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Generally accepted auditing standards and the standards set forth in the Government Accountability Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditors' report on the basic financial statements and required supplementary information as well as the individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in the single audit section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The City of Pharr is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to federal and state awards, the independent auditors' report on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the single audit section of this report.

On November 10, 2008 via ordinance O-2008-49, the Pharr Economic Development Corporation (PEDC) was approved by citizen vote and ratified by the City Commission to receive ½ percent (the City receives 1 ½ percent) of sales tax. City management has included PEDC in its financial reports as a blended component unit since the City appoints all board members, can remove board members at will, and must approve PEDC's budget and plan of work. The City is also a guarantor for debt that is collateralized by PEDC funds. City management has also included the Pharr Housing Finance Corporation (PHFC) and the Pharr Tax Increment Reinvestment Zone (TIRZ) in its financial statements as component units. More information concerning the PEDC, PHFC and TIRZ are in the Notes to Financial Statements.

PROFILE OF THE GOVERNMENT

Located on lands originally known in the 1600's as the Seno Mejicano, the City of Pharr was founded in 1909. During a period of great social and economic transition in the Rio Grande Valley. In 1909, John C. Kelly, Henry N. Pharr, W.E. Cage, and R.E. Briggs formed the Pharr Townsite Company, platting and registering the new town. Kelly donated lots in the original plat for early churches, including the Methodist, Baptist, Catholic, Episcopal, and Presbyterian denominations. Pharr schools began in 1911, and the community later joined with San Juan and Alamo to create the Pharr-San Juan-and Alamo School District. The City founders were also involved with the Louisiana - Rio Grande Canal Co., organized in 1910 to furnish irrigation and domestic water to 40,000 acres in the Pharr area by means of a Rio Grande Pumping Plant. The water system led the economy to shift from ranching to crop production, and the Railroad, which came through the area in 1905 made it possible to ship the produce around the country. Amidst the explosive growth caused by the introduction of irrigation, the coming of the railroad, and the Mexican Revolution, the City incorporated in 1916, and became a hub for the confluence of Tejano, Anglo and Mejicano influences in the region.

Centrally located, Pharr played a key role as the agricultural frontier pushed into the brush and cattle country in the early 1900's to form a new fertile land dubbed the "Magic Valley". As water from the Rio Grande was being diverted for irrigation, Pharr served as headquarters for the Louisiana-Rio Grande Canal Company owned and operated by the Pharr co-founders John C. Kelly and Henry N. Pharr. The company built the historic Hidalgo Pumphouse that initially irrigated 40,000 acres of land known as Pharr-Kelly tract.

Pharr, served by two state highways and the St. Louis, Brownsville and Mexico Railway Company, became a hub and a natural shipping center for the transportation and produce industries. By the early 1950's, Pharr was home to 22 processing and shipping businesses including the Valley Fruit and Vegetable Company, the largest packing facility in the world. Pharr is situated along a 43-mile corridor, U.S Business 83, once known as the longest Main Street in America. The City's image as the Hub City was firmly established when the Texas Highway Department chose Pharr as its District 21 Headquarters in 1932. The 13,869 Sq mile district is composed of ten counties and is larger than the District of Columbia, Delaware, Connecticut and Massachusetts combined. Since the early days,

Pharr sat at the cross-roads of the two most important highways in the Valley: Highways 4 and 66, known today as Memorial Highway U.S 281 (US i69) and U.S Business 83 (US i2) respectively. They intersect Pharr's historical Main Street District and are the basis for Hidalgo County's historical trails, making Pharr the region's historical hub as well. Pharr serves as one of the most important ports of entry for the US-Mexico border. It handles both commercial and passenger operated vehicles and crosses about a hundred and seventy-five thousand vehicles a month.

The municipal government provided by the Charter of the City of Pharr is known as the Board of Commissioners – City Manager Form of Government. The Board of Commissioners consists of a Mayor and six (6) Commissioners which enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who is held responsible to the Board of Commissioners for the execution of the laws and the administration of the government of the City. All powers of the City are exercised in the manner prescribed by the City Charter, or, if the manner be not prescribed, then in such manner as may be prescribed by ordinance, the State Constitution, or by the statutes of the State of Texas. The Mayor and the other members of the Board of Commissioners are elected by the City at large for a term of four (4) years.

The City provides a full range of services. Some of these services include police and fire protection; sanitation service; maintenance of streets and infrastructure; and recreational activities. In addition, the City provides water and wastewater services, a system of municipal parks, and a golf course.

ECONOMIC CONDITION AND OUTLOOK

Pharr is strategically located in the middle of the Rio Grande Valley of South Texas, only minutes from the Mexico border. It is strategically located to reap the benefits of explosive growth in commerce and trade. The Pharr area offers a top-quality workforce on both sides of the border. Many visitors enjoy the diversity of Pharr's culture, business and people with its variety and retail outlets, residential neighborhoods and cultural events – Pharr's rich heritage is unwavering. The spirit of tradition and a strong sense of community are flourishing in Pharr.

Over the last 10 years, Pharr has experienced unprecedented growth and economic development, and increase of roughly 40% in sales tax collections. Its population has steadily increased to almost 80,000 people. The housing industry is still increasing, businesses continue to look at Pharr, and the Pharr-Reynosa International Bridge commercial traffic is continuing to increase.

The sales tax base is growing and is expected to continue to have a positive outcome in the upcoming year, thereby potentially creating more jobs.

The economic future looks bright for Pharr. A few of the upcoming projects include:

- Major commercial development projects
- A new Natatorium
- Increase in industrial warehouses
- Increase in residential development
- Additional Infrastructure upgrades of the Pharr International Bridge

According to the Texas Workforce Commission, Pharr's unemployment rate as of September 30, 2018 was 6.9% and is currently at 7.2%.

MAJOR INITIATIVES

The City Commission and staff have identified several initiatives to address significant issues in our community. The budget for the upcoming fiscal year reflects these goals. These programs are briefly described below:

Major tax activity: Well-managed economic growth is vital to any city. It increases the tax base and thereby allows improved services to be provided to the citizens.

Property Tax: Tax year 2018, which will be in effect during next fiscal year, is expected to remain constant or with little growth on tax appraisal values. It is not until Tax Year 2019 and forward is when City of Pharr is expecting to have its assessed property values increase due to economic development growth.

Sales Tax: Sales tax revenue is used by the City as an economic indicator. This fiscal year FY 2017-2018 the City experienced a 7.7% growth in collections compared to FY 2016-2017. For this FY 2018-2019 the City budgeted a 3% projected growth.

Hotel/Motel Tax: Hotel/Motel tax revenue may only be used to increase tourism opportunities, hopefully benefiting the hotel/motel industry within the city.

Public Safety: Ensuring that the public safety personnel have the tools that they need to ensure the safety of the City is always a priority to the Commissioner's and management.

The Police Department along with the Bridge administrators collectively with federal border security organizations continue to operate a southbound inspection station. The purpose is to slow the flow of stolen vehicles and weapons into Mexico.

Public Works: The cost of infrastructure continues to rise while the need for the projects continues to be a priority. Street repairs are one of the main priorities this coming fiscal year with projects such as the 4-Year Repaving Plan, several street expansion and a bike trail.

International Bridge Infrastructure: The bridge capital projects expenditures for the upcoming fiscal year are budgeted at \$15 million. There are two goals of these projects, 1) to allow Pharr to be the regional international trade center, and 2) to minimize the wait-times for commercial traffic, thereby allowing Pharr to continue being the most efficient commercial bridge in south Texas. Expenditures are expected to be funded through grants of approximately \$15 million dollars from TXDOT and Bond \$15 million from bond proceeds.

International Trade: The City of Pharr owns an international bridge that allows the City to have a generous revenue source as a direct result of the North American Free Trade Agreement (NAFTA). It has four Industrial Parks and 25 cold storage facilities. Most of the bridge revenue is from commercial trucks. The City's International Bridge has grown capping off the year with the number one ranking as produce trading partner of Mexico beating out last year's leader Nogales, Arizona. Pharr continues to break import-export records, crossing 60 percent of all fresh produce coming from Mexico. Pharr is the leading bridge for produce such as avocados and berries.

FINANCIAL INFORMATION

Budgetary Controls: The City of Pharr maintains a system of budgetary controls, the objective of which is to ensure compliance with the legal provisions of the annual appropriated budget approved by the City Commission. The adopted Annual Budget is the basic budget document. It governs all expenditures within a certain fiscal year, which runs from October 1 to September 30. The City Charter states that between sixty (60) and ninety (90) days prior to the end of the fiscal year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. Furthermore, the Charter requires that the budgeted expenditures for governmental funds not exceed estimated resources and requires that public hearings be held prior to the adoption of the budget. Directors are expected to review their budgets on a monthly basis. The Finance Director will periodically review the budget and inform the Director and/or management of its status. A complete summary of significant accounting policies and budgetary principles is presented in the notes to the financial statements.

Fund Accounting: In accordance with generally accepted accounting principles, the City of Pharr uses a fund accounting system. Fund accounting is designed to ensure that public monies are spent for their intended purpose. Numerous funds are necessary due to legal, financial or operating constraints. Each fund is a separate fiscal entity with a self-balancing set of accounting books. In the financial section of the comprehensive annual financial report, each fund type used by the City of Pharr is defined immediately prior to that fund's financial statements.

General Fund Balance Policy: The fiscal policy as it relates to General Fund's reserve/contingency account states: the City shall strive to maintain the General Fund undesignated/unreserved fund balance at 90 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchases, debt service, incentives and the annual transfers from the General Fund to the other funds.

For fiscal year 2017-2018, the General Fund committed to contingency and unreserved balance totaled \$13,201,001 and the required minimum was \$10,250,000 (rounded).

Debt Administration and Rating: State law does not provide a debt limit for the issuance of debt, however, by custom; a practical economic debt limit of 5% of the assessed valuation is used.

General obligation bonds are backed by the full faith and credit of the City of Pharr and are used to finance permanent public improvements. In September 2018, the city's ratings were upgraded by the first time in the last 10 years by S& P and Moody's with the latest ratings being:

S &P	Moody's	Fitch
AA+	Aa3	AA-

Cash Management: All City operating funds are held in interest-bearing demand accounts in the depository bank. This money is protected by insurance from the Federal Deposit Insurance Corporation and by collateral interests in the depository's investment securities that are pledged against the City's deposits.

Cash not required for operations is invested according to the City's written investment policy. The policy emphasizes safety and liquidity in investing public funds. As of September 30, 2018, all the City's funds were available within one day. Investments consisted of demand deposit accounts in our financial institution due to its interest floor of .20%, slightly greater than anything in the investment market. This year the City of Pharr sought to diversify its investments by investing \$3.9 million in TexPool, the largest local government investment pool in the state of Texas. As of September 30, 2018, the City of Pharr's TexPool account has generated a return of around \$61,000.

Risk Management: The City continues to put high emphasis on safety concerns to lower workers' compensation claims. Risk management, particularly workers' compensation, is coordinated through the Human Resources Department. Insurance is provided by Texas Municipal League for general and asset insurance management.

LONG-TERM FINANCIAL PLANNING

General Fund Unreserved Fund Balance: The unreserved, undesignated fund balance of the General Fund is reflected in the table below.

	Fiscal Year		
	<u>FY 15.16</u>	<u>FY 16.17</u>	<u>FY 17.18</u>
Unassigned Fund Balance and Cash on Hand	\$ 18,008,000	\$ 20,196,100	\$ 21,211,700
Recommended Days per Best Practices	90	90	90
Actual Days of Fund Balance	165	174	166
Unassigned Fund Balance and Contingency	\$ 9,800,000	\$ 11,900,000	\$ 13,201,000
Actual Days of Fund Balance	90	102	103

The total General Fund balance is \$23.8 million; the committed, assigned, and unassigned fund balance (comparable to prior year's unreserved fund balance) is \$21.2 million and is equal to 166 days of operating expenditures. This balance provides an adequate protection against unforeseen occurrences and significantly decreases the likelihood of the City entering the short-term debt market to pay for current operating expenditures. The City's General Fund is fiscally stable.

The Pharr International Bridge, known as the Texas Corridor to International Trade, is the only full-service commercial bridge in the region. With over \$30 billion in trade with the world, the Pharr Bridge continues to break import/export records, making the land port of entry a forced to be reckoned with as the 4th largest commercial land crossing with Mexico. In an ever-growing binational economy it's all about time and money; it's about the product getting to market through the path of least resistance; it's about just-in-time production, flow and deliveries, and the Pharr Bridge is implementing solutions to reduce wait times by investing in infrastructure projects inside the port, therefore, streamlining crossing solutions for 21st century trade. Growing at 6-8% in truck volume year after year – that's over 1 million trucks crossed yearly – the exponential growth at the Pharr Bridge is no coincidence. The growth is attributed to the geographical location, the natural trade corridors and freight roadways leading from Mexico to Pharr and beyond into North America, and the outreach and promotional efforts of Bridge leadership.

RELEVANT FINANCIAL POLICIES

The City approves fiscal policies during every budget process; they are included as a section of the budget document. The policies are stated in sections, the sections are: Operating Budgetary, Revenue, Expenditure/Expenses, Fund Balance/Retained Earnings, Capital Improvement, Debt Management, Intergovernmental Relations, Grant, Fiscal Commission Monitoring, Financial Consultants, Accounting Auditing & Financial Reporting, Internal Control, and E-Commerce. Purchasing, Investment, and Human Resource policies are individually prepared and adopted aside from the budget process.

During this fiscal year, the City updated its Accounting Policies and Procedures Policies to update certain paragraphs and the Fiscal Management Policies to comply with best practices for Accounting of Capital Projects Bond Proceeds. A copy of each one can be found at <http://pharr-tx.gov/departments/finance/fiscal-principals-policies/>

OTHER INFORMATION

AWARDS: The Texas State Comptroller issued a new Transparency program that recognizes local governments for going above and beyond in their transparency efforts through Transparency Stars.

The City of Pharr was awarded the Traditional Finances Star this past fiscal year and it was the first City in the Valley to receive it. This past FY 2017-2018, the City received for the first time the Debt Obligations Transparency award this FY 2017-2018.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2017. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit published an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. The City has received the Certificate of Achievement for the last seven consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget dated October 1, 2017.

This was the City's 9th consecutive budget award from GFOA. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document is judged on proficiency in several categories including policy documentation, financial planning, an operations guide, and a communication device. The budget for October 1, 2017 has been submitted for review and we are pending notification of an award.

ACKNOWLEDGMENTS: The preparation of this report on a timely basis could not have been accomplished without the efficient and dedication services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank the members of the City Commission for their interest and support in planning and guiding the financial operation of the City in a responsible and progressive manner.

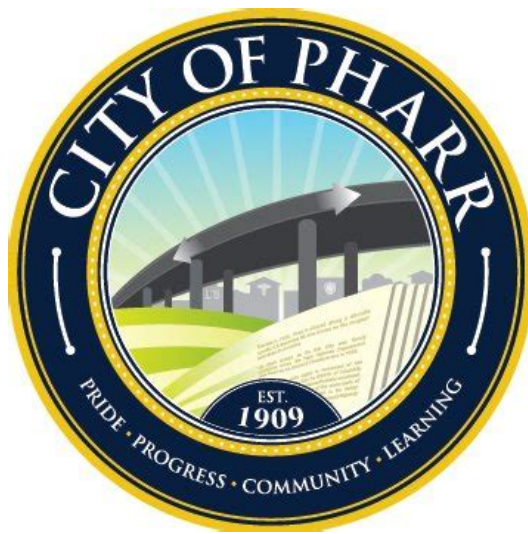
Respectfully Submitted,



Alex Meade,
City Manager



Karla Saavedra, CGFO
Finance Director





Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Pharr
Texas**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

CURRENT CITY OFFICIALS

Elected Officials

Mayor	Ambrosio “Amos” Hernandez
Commissioner	Eleazar Guajardo
Commissioner	Roberto “Bobby” Carrillo
Commissioner	Ramiro Caballero
Commissioner	Daniel Chavez
Commissioner	Ricardo Medina
Commissioner	Mario Bracamontes

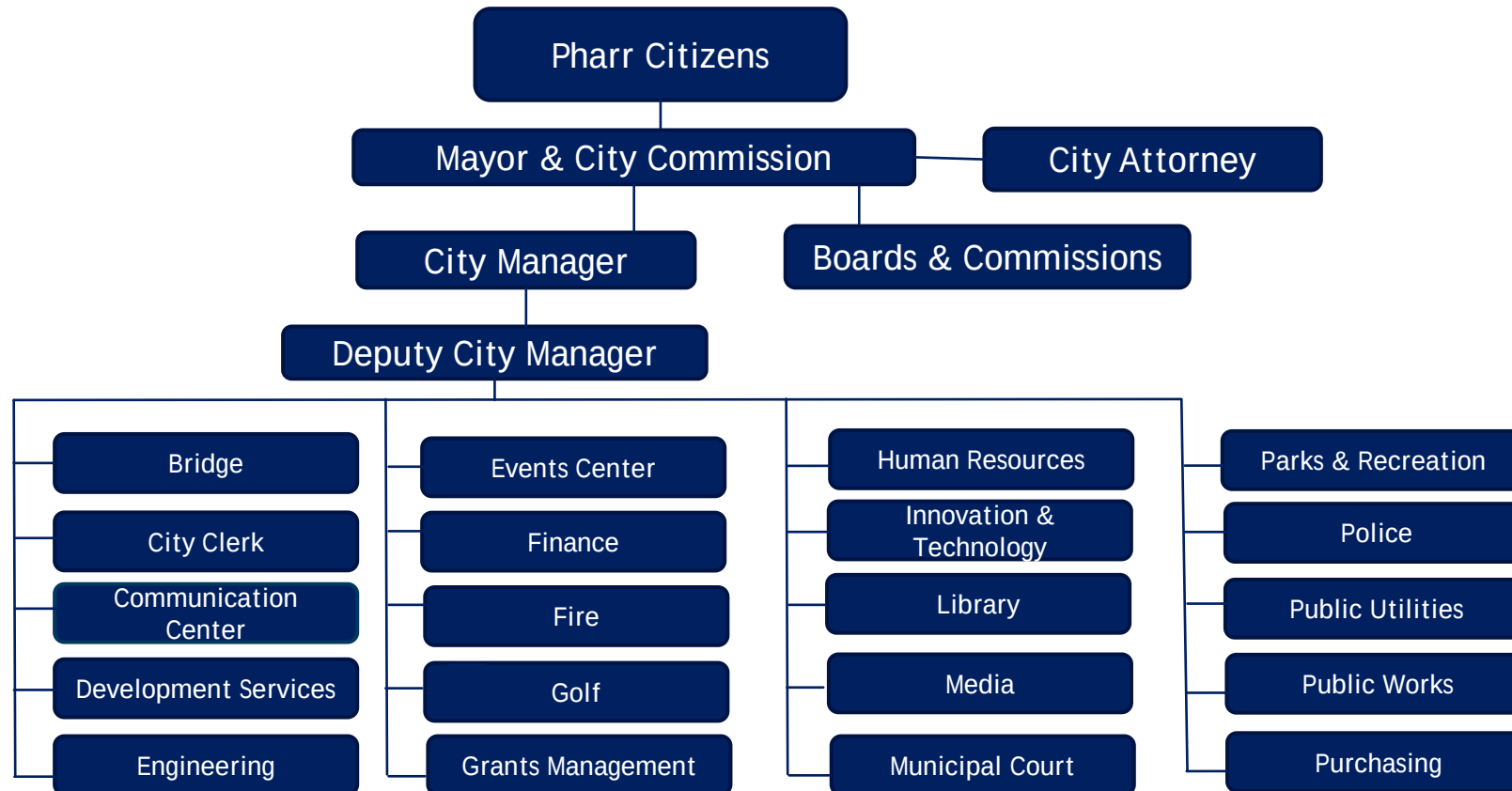
Appointed Officials

City Manager	Alex Meade
Deputy City Manager	Edward Wylie

Department Directors

City Clerk	Hilda Pedraza
Police Chief	Jose Luengo
Fire Chief	Lenny Perez
Director of Finance	Karla Saavedra
Director of Human Resources	Anali Cantu
Director of Communications	Danny Ramirez
Director of Utilities	Jose Villescascas
Director of Parks & Recreation/ Golf	Sergio Alanis
Director of Library	Adolfo Garcia
Director of Development Services	Melanie Cano
Director of Public Works	Ricardo Pedraza
Director of Grant Management	Raul Garza
Director of Media	Gary Rodriguez
Director of Bridge	Luis Bazan
Director of Economic Development Corp.	Victor Perez
Director of Innovation and Technology	Jose Pena
City Engineer	Omar Anzaldua
Municipal Court Judge	Marissa Carranza Hernandez

FY 18-19





FINANCIAL SECTION

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of September 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note H to the financial statements, in 2018, the City adopted new accounting guidance, GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

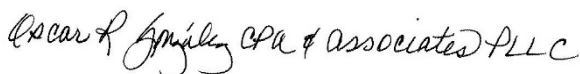
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pharr, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc., and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc., and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc. and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2019, on our consideration of the City of Pharr, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pharr, Texas's internal control over financial reporting and compliance.



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

Management's Discussion & Analysis (MD&A)

Management's Discussion and Analysis

As management of the City of Pharr, Texas (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Pharr for the fiscal year ended September 30, 2018.

FINANCIAL HIGHLIGHTS

- ✚ The assets of the City's governmental activities exceeded its liabilities at the close of the most recent fiscal year by over \$111.56 million (net position). Of this amount, \$7.12 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. This is an increase of \$1.157 million in unrestricted net position, or 22%. The increase is mainly due to a conservative budget management this fiscal year.
- ✚ At the end of the current fiscal year, spendable and non-restricted fund balance for all governmental funds increased by \$1.107 million. This increase is mainly due to sales and property tax collections higher than expected.
- ✚ The assets of the City's business-type activities exceeded its liabilities at the close of the most recent fiscal year by over \$119.21 million (net position). Of this amount, over \$10.04 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. Overall proprietary funds experienced an increase of \$4.36 million mainly due to better fiscal management and increased collections in Bridge Revenues.
- ✚ The General Fund assets exceeded its liabilities by over \$23.86 million (fund balance). Of this amount, \$3.218 million (unassigned fund balance) may be used to meet the General Fund's ongoing obligations. This is a decrease from last years of \$1.107 million. This is mainly due to cash on hand used to loan to other City's discretely component units.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner like a private-sector business.

The Statement of Net Position presents information on all the City's assets and liabilities as well as deferred outflow and inflow of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Management's Discussion and Analysis

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include services provided to the citizens for the basic health, safety, welfare, and administration of the City. Examples would include police and fire protection, animal control, streets, and parks and recreation. The business-type activities of the City which include the services provided to the citizens, the cost of which is recouped by user fees charged for the services. This includes water and wastewater services, bridge toll, event concession and rents and golf course fees to all residents and businesses.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate component units for which the City is financially accountable: the Pharr Economic Development Corporation II (blended component unit) and the Pharr Public Facilities Corporation No. 1 (blended component unit).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into four categories: governmental funds, proprietary funds, fiduciary funds, and discretely presented component units.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains three major (General, PEDC II, CIP) and nine nonmajor governmental funds. Information for the major funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General, Asset Sharing, Community Development, Hotel/Motel, Parkland Dedication, Paving & Drainage, Grants, General Capital Improvement Projects, and Debt Service governmental funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Management's Discussion and Analysis

Proprietary Funds

The City maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater operations, its bridge toll and golf course operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle repair activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and wastewater operations and its bridge toll and golf course operations. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary funds' financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the Utility, Event Center, Bridge, Golf, and Garage funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

The City's progress in funding its obligations to provide pension benefits to its employees can be found at the end of the notes to the financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the result of activities comparing the budget versus actual.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by over \$230.78 million at the close of the fiscal year.

Management's Discussion and Analysis

The City's condensed Statement of Net Position along with last fiscal year's numbers is presented for comparison in the table is located below:

City of Pharr's Net Position						
Table 1 – Dollars in Millions	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 80.26	\$ 74.76	\$ 25.41	\$ 29.63	\$ 105.67	\$ 104.39
Capital assets	119.29	96.00	145.47	140.09	264.76	236.09
Total assets	199.55	170.76	170.88	169.72	370.43	340.48
Deferred Outflow of Resources						
Deferred outflows	3.59	4.92	0.27	0.33	3.86	5.25
Total deferred outflow of resources	3.59	4.92	0.27	0.33	3.86	5.25
Total Assets and Deferred Outflow of Resources	203.14	175.68	171.15	170.05	374.29	345.73
Liabilities						
Current and other liabilities	15.17	12.66	7.62	8.24	22.80	20.90
Long-term Liabilities	72.47	58.46	44.31	46.96	116.78	105.42
Total liabilities	87.64	71.12	51.93	55.20	139.58	126.32
Deferred Inflow of Resources						
Deferred inflows	3.94	0.27	-	-	3.94	0.27
Total deferred inflows of resources	3.94	0.27	-	-	3.94	0.27
Total Liabilities and Deferred Inflow of Resources	91.58	71.39	51.93	55.20	143.51	126.59
Net Position						
Net Invested in capital assets,						
net of related debt	72.65	76.67	98.71	95.76	171.36	172.43
Restricted	31.78	21.65	10.46	13.16	42.24	34.81
Unrestricted	7.13	5.97	10.05	5.94	17.18	11.91
Total net position	\$ 111.57	\$ 104.29	\$ 119.22	\$ 114.86	\$ 230.78	\$ 219.15

Management's Discussion and Analysis

The excess of liabilities/deferred inflows of resources over assets/deferred outflows of resources reported on the government-wide Statement of Net Position of \$111.57 at S e p t e m b e r 3 0 , 2018 results from several factors. The most significant items include certain long-term liabilities that do not require current funding such as net pension liabilities of \$6.7 million as of September 30, 2018, and other unfunded long-term liabilities which include compensated absences.

By far the largest portion of the City's net position (\$171.36) reflects its Net Invested in Capital Assets (e.g., land buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, (\$42.24) million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$17.73 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City can report positive balances in all three categories of net assets for the government. The same situation held true for the prior fiscal year.

Governmental Activities

Governmental activities increased the City's net position by \$7.38 million. The key changes this fiscal year along with element of this increase is described as follows:

-  Higher than expected revenue collections from Property and Sales Taxes
-  Transfers from Bridge excess cash
-  Higher Capital Contributions (Paving and Drainage Infrastructure)

Management's Discussion and Analysis

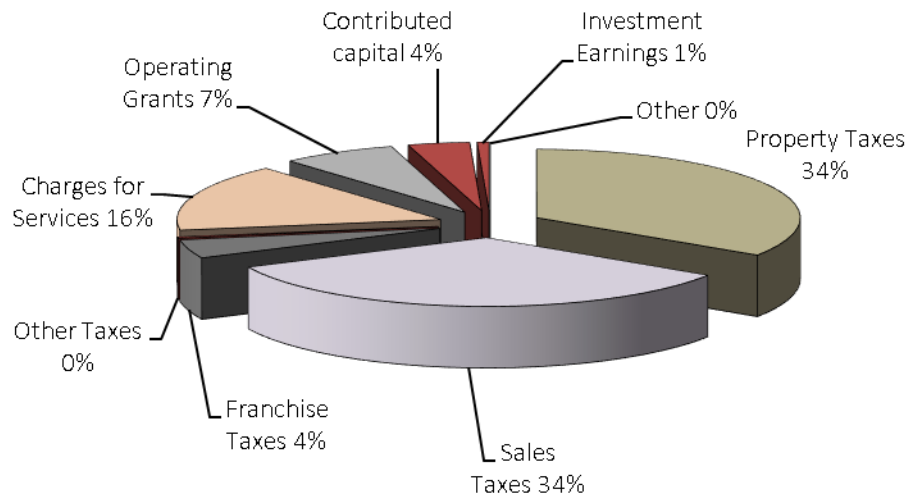
The City's condensed Changes in Net Position along with last fiscal year's numbers are presented for comparison in the following table below:

City of Pharr's Changes in Net Position						
Table 2 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues:						
Charges for services	\$ 9.17	\$ 10.16	\$ 29.07	\$ 29.76	\$ 38.24	\$ 39.92
Operating grants and contributions	4.06	3.84	-	0.97	4.06	4.81
Capital grants and contributions	2.17	0.06	2.78	1.35	4.94	1.41
General Revenues:						
Property tax	19.70	17.88			19.70	17.88
Sales tax	19.38	17.08			19.38	17.08
Other taxes	2.49	2.59			2.49	2.59
Other	1.15	1.21	0.26	0.14	1.41	1.35
Total Revenues	58.11	52.82	32.11	32.22	90.22	85.04
Expenses:						
General governmental	16.37	11.29			16.37	11.29
Public safety	23.81	25.32			23.81	25.32
Streets	1.48	8.71			1.48	8.71
Health and welfare	3.01	0.65			3.01	0.65
Culture and recreation	5.61	5.36			5.61	5.36
Economic Development	5.47	2.55			5.47	2.55
Interest of debt service	2.20	1.81			2.20	1.81
Issuance Cost	0.31	0.01	-	2.05	0.31	2.06
Utility			13.33	12.86	13.33	12.86
Pharr Event Center			0.77	0.78	0.77	0.78
Toll bridge			4.04	3.70	4.04	3.70
Tierra Del Sol Golf Course			1.41	1.34	1.41	1.34
Total Expenses	58.26	55.70	19.55	20.73	77.81	76.43
Excess of revenues over expenditures	(0.15)	(2.88)	12.56	11.49	12.41	8.60
Loss on land	(0.36)	(0.02)	-	-	(0.36)	(0.02)
Bad Debt Expense	(0.55)				(0.55)	-
Gain on Market Value of Land	-	1.57	-	-	-	1.57
Transfers	8.44	10.85	(8.44)	(11.24)	-	(0.39)
Net change in net position	7.38	9.52	4.12	0.25	11.50	9.76
Net position - beginning	104.29	95.42	114.86	114.58	219.15	210.00
Prior period adjustment (a)	(0.10)	(0.65)	0.23	0.03	0.13	(0.62)
Net position - ending	<u>\$ 111.57</u>	<u>\$ 104.29</u>	<u>\$ 119.21</u>	<u>\$ 114.86</u>	<u>\$ 230.78</u>	<u>\$ 219.15</u>

Management's Discussion and Analysis

The City's governmental activities' revenues source distribution is presented below.

Revenues by Source – Governmental Activities



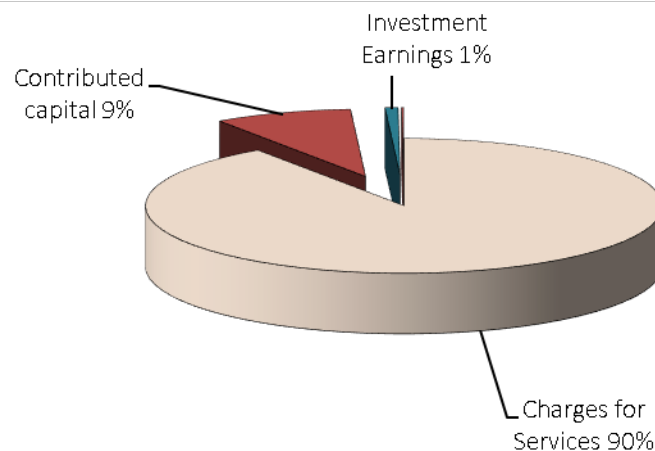
Business-Type Activities

Business-type activities increase the City's net position by \$4.38 million. One of the key changes this fiscal year for this increase was:

- Addition of Water Infrastructure of approximately \$3 million dollars.

The City's Business-Type activities' revenue source distribution is presented below.

Revenues by Source – Business-Type Activities



Management's Discussion and Analysis

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's net change in fund balance was roughly \$ 2.04 million more than budget. The operating revenues were \$1.38 million more than budget. The main reason for this increase was due to sales tax collections greater by \$.30 million, sanitation and brush charges greater by \$.32 million. Expenditures were \$2.92 million less than budget; this is mainly from General Government (\$0.66 less than budgeted) and Public Safety (Fire) (\$0.58 million dollars less than budgeted).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Pharr's Capital assets for its governmental and business-type activities amounts to \$264.75 million. This investment in capital assets includes land, buildings and system improvements, and machinery and equipment net of depreciation. The total increase in the City's net investment in capital assets for the current fiscal year was \$28.66 million or 11%.

City of Pharr's Capital Assets (Net of Depreciation)						
Table 3- Dollars in million	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Water rights		\$ -	\$ 3.45	\$ 3.45	3.45	3.45
Land	17.33	8.33	3.42	3.44	20.75	11.77
Building and system improvements	27.94	24.07	14.93	15.65	42.86	39.72
Other improvements	7.80	8.09	2.86	3.12	10.66	11.21
Machinery and equipment	7.90	7.24	4.88	2.35	12.78	9.59
Infrastructure	33.10	31.57	109.22	99.39	142.32	130.96
Construction in progress	25.22	16.70	6.71	12.69	31.93	29.39
	<u>\$ 119.29</u>	<u>\$ 96.00</u>	<u>\$145.47</u>	<u>\$140.09</u>	<u>\$264.75</u>	<u>\$236.09</u>

Additional information on the City's capital assets can be found in the Notes to the Financial Statements in this report under section *III-Detailed Notes on Funds and Component Units* subsection *F-Capital Assets*.

Management's Discussion and Analysis

Long-Term Debt

At the end of the current fiscal year, the City had total contractually obligated long-term debt of \$111.85 million. The details of the change in debt from last fiscal year are as indicated:

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Governmental			
Bonds	\$ 4.09	\$ 5.79	\$ (1.71)
Certificates of obligation	33.44	19.35	14.09
Capital leases	7.39	6.57	0.82
Notes	<u>18.70</u>	<u>14.14</u>	<u>4.56</u>
	63.61	45.85	17.76
 Business-Type			
Bonds	44.40	52.07	(7.67)
Capital leases	<u>3.83</u>	<u>0.03</u>	<u>3.80</u>
	48.24	52.10	(3.87)
 Total	 <u><u>\$ 111.85</u></u>	 <u><u>\$ 97.95</u></u>	 <u><u>\$ 13.90</u></u>

Long-term debt for the Governmental activities Increased by \$17.76 million. This increase was due to the second phase of a 3-year financing plan of \$56 million (total). FY 2017-2018 was the first year of this phase and issued \$19 million in bonds (Including premium) for City construction and Infrastructure.

Long-term debt for the Business-Type activities decreased by \$3.87 million. This decrease is the reduction of the debt by principal as amortized.

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements in this report under section *III-Detailed Notes on Funds and Component Units* subsection *G-Long-Term Obligations*.

Pension

The adoption of Statement No. 68 resulted in the City's reporting of net pension liabilities and deferred inflows of resources and deferred outflows of resources for each of its qualified pension plans and the recognition of pension expense in accordance with the provisions of the Statement.

Management's Discussion and Analysis

Table 5 provides the City's key pension statistics related to the TMRS plan as of and for the fiscal year ended September 30, 2017:

City of Pharr's Key Pensions Statistics

Table 5-(Dollars in millions)

Net Pension Liability	\$	6.70
Pension Expense	\$	2.66

Additional information on the City's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The University of Texas Rio Grande Valley School of Medicine will be building its Natatorium in the city. It will also develop a medical clinic campus that would help improve access to primary and specialty care for Pharr families.
- The continuous growth of the Pharr Town Center will help increase jobs and sales taxes.
- New infrastructure Bridge Projects and improvements inside the Port of Entry will streamline the truck/cargo inspection process, allowing for better flow and maximum efficiency; and more crossing revenue as consequence.
- The continued increase of produce crossings through Pharr will allow for further development of cold storage/distribution facilities, as more company expansions are breaking ground in South Pharr.
- Continued truck volumes despite the downturn in the oil and gas industry is a testament of the future potential for the bridge, as truck crossings continue the incline year after year.
- Peso devaluation is still considered a negative factor that might affect the City's sales tax in the future.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Pharr, Office of the Finance Director, P.O. Box 1729, Pharr, TX 78577.

Basic Financial Statements

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

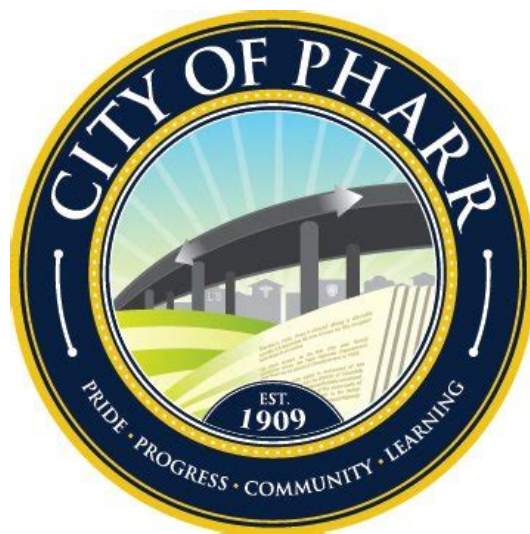
	Primary Government				
	Governmental	Business-Type		Discrete	
	Activities	Activities	Total	Component Units	Total
<u>ASSETS</u>					
Current assets:					
Cash	\$ 28,843,941	\$ 7,177,475	\$ 36,021,416	\$ 3,640,780	\$ 39,662,196
Receivables (net of allowance for uncollectible)	23,275,841	3,067,160	26,343,001	10,483	26,353,484
Prepaid items	1,218,158	-	1,218,158	-	1,218,158
Internal balances	35,554	(35,554)	-	-	-
Inventories	1,087,989	157,584	1,245,573	-	1,245,573
Land available for sale	3,074,500	-	3,074,500	-	3,074,500
Restricted assets:					
Cash	20,157,080	13,428,808	33,585,888	2,906,512	36,492,400
Cash with Fiscal Agent	2,163,114	1,616,193	3,779,307	-	3,779,307
Intergovernmental receivable	399,539	-	399,539	-	399,539
Total current assets	80,255,716	25,411,666	105,667,382	6,557,775	112,225,157
Capital assets					
Water Rights (nondepreciable)	-	3,450,000	3,450,000	-	3,450,000
Land (nondepreciable)	17,334,378	3,418,448	20,752,826	1,500,000	22,252,826
Buildings (net of acc. depreciation)	27,935,618	14,925,221	42,860,839	26,502,558	69,363,397
Improvements other than buildings (net of acc. depreciation)	7,800,971	2,861,382	10,662,353	-	10,662,353
Machinery and equipment (net of acc. depreciation)	7,901,035	4,883,000	12,784,035	130,232	12,914,267
Infrastructure (net of acc. depreciation)	33,102,412	109,222,988	142,325,400	-	142,325,400
Construction in progress (nondepreciable)	25,223,888	6,709,317	31,933,205	-	31,933,205
Total capital assets	119,298,302	145,470,356	264,768,658	28,132,790	292,901,448
Total noncurrent assets	119,298,302	145,470,356	264,768,658	28,132,790	292,901,448
Total assets	199,554,018	170,882,022	370,436,040	34,690,565	405,126,605
<u>DEFERRED OUTFLOW OF RESOURCES</u>					
Other Post Employment Benefits	82,128	-	82,128	-	82,128
Unamortized loss on refunding of debt	146,340	269,867	416,207	-	416,207
Pension-TMRS	3,362,891	-	3,362,891	-	3,362,891
Total deferred outflow of resources	3,591,359	269,867	3,861,226	-	3,861,226
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable and other current liabilities	5,564,010	2,744,678	8,308,688	5,790,495	14,099,183
Escrows	2,420,951	218,751	2,639,702	-	2,639,702
Current portion debt payable	7,187,133	4,660,661	11,847,794	598,083	12,445,877
Liabilities from restricted assets	-	-	-	-	-
Total current liabilities	15,172,094	7,624,090	22,796,184	6,388,578	29,184,762
Noncurrent liabilities:					
Other post employment benefit	1,123,132	-	1,123,132	-	1,123,132
Net Pension Liability	6,759,555	-	6,759,555	-	6,759,555
Due in more than one year, net	64,587,480	44,310,572	108,898,052	33,525,290	142,423,342
Total noncurrent liabilities	72,470,167	44,310,572	116,780,739	33,525,290	150,306,029
Total liabilities	87,642,261	51,934,662	139,576,923	39,913,868	179,490,791
<u>DEFERRED INFLOW OF RESOURCES</u>					
Pension-Actual Contributions vs Assumptions	3,936,027	-	3,936,027	-	3,936,027
	3,936,027	-	3,936,027	-	3,936,027
<u>NET POSITION</u>					
Net Invested in capital assets	72,653,863	98,709,752	171,363,615	(5,990,583)	165,373,032
Restricted for:					
Debt service	670,826	3,312,996	3,983,822	2,300,000	6,283,822
Capital projects	20,752,356	6,720,407	27,472,763	-	27,472,763
Economic development	3,149,029	-	3,149,029	-	3,149,029
Tourism	1,439,629	425,344	1,864,973	-	1,864,973
Reinvestment Zone	855,139	-	855,139	-	855,139
Noncurrent advances	1,623,980	-	1,623,980	-	1,623,980
Public safety	453,225	-	453,225	-	453,225
Paving and Drainage	676,190	-	676,190	-	676,190
General Government	2,163,114	-	2,163,114	-	2,163,114
Unrestricted	7,129,738	10,048,728	17,178,466	(1,532,720)	15,645,746
Total net position	\$ 111,567,089	\$ 119,217,227	\$ 230,784,316	\$ (5,223,303)	\$ 225,561,013

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

**CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Discrete Component Unit	Total
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
Primary government:									
Governmental activities:									
General government	\$ 16,369,347	\$ 4,209,856	\$ 798,290	\$ -	\$ (11,361,201)		\$ (11,361,201)	-	(11,361,201)
Public safety	23,812,975	-	216,376	-	(23,596,599)		(23,596,599)	-	(23,596,599)
Highways and streets	1,480,719	471,781	-	2,169,525	1,160,587		1,160,587	-	1,160,587
Health and welfare	3,014,173	4,095,355	-	-	1,081,182		1,081,182	-	1,081,182
Culture and recreation	5,607,394	390,300	-	-	(5,217,094)		(5,217,094)	-	(5,217,094)
Economic development	5,467,102	-	-	-	(5,467,102)		(5,467,102)	-	(5,467,102)
Interest on long-term debt	2,191,997	-	-	-	(2,191,997)		(2,191,997)	-	(2,191,997)
Total governmental activities	57,943,707	9,167,292	1,014,666	2,169,525	(45,592,224)		(45,592,224)	-	(45,592,224)
Business-type activities:									
Utility	13,319,738	13,952,468	-	2,775,865		3,408,595	3,408,595		3,408,595
Pharr Event Center	768,089	340,926	-	-		(427,163)	(427,163)		(427,163)
Toll Bridge	4,037,116	13,977,932	-	-		9,940,816	9,940,816		9,940,816
Tierra Del Sol Golf Course	1,414,745	801,396	-	-		(613,349)	(613,349)		(613,349)
Total business-type activities	19,539,688	29,072,722	-	2,775,865		12,308,899	12,308,899		12,308,899
Total primary government	\$ 77,483,395	\$ 38,240,014	\$ 1,014,666	\$ 4,945,390	\$ (45,592,224)	\$ 12,308,899	\$ (33,283,325)	-	(33,283,325)
Component unit:									
Pharr Housing Finance Corporation	1,427,090	1,312,293	1,417,090					(1,302,293)	(1,302,293)
PHFC Jackson Place Apartments	977,988	-	-					977,988	977,988
Debt Interest and Issuance Cost	\$ 1,650,827	\$ -	\$ -					1,650,827	1,650,827
	4,055,905	1,312,293	1,417,090					1,326,522	1,326,522
General revenues:									
Property taxes					19,688,629	-	19,688,629	-	19,688,629
Sales taxes					19,375,501	-	19,375,501	-	19,375,501
Franchise taxes					5,534,724	-	5,534,724	-	5,534,724
Other Contributions					559,200	-	559,200	-	559,200
Other taxes					162,152	-	162,152	-	162,152
Investment earnings					416,743	259,408	676,151	9,160	685,311
Loss on Sale on Assets					(356,190)	-	(356,190)	-	(356,190)
Bad Debt Expenditure					(553,375)	-	(553,375)	-	(553,375)
Other					-	4,028	4,028	90,363	94,391
Cost of Issuance					(306,385)	-	(306,385)	-	(306,385)
Transfers					8,445,228	(8,445,228)	-	-	-
Total general revenues and transfers					52,966,227	(8,181,792)	44,784,435	99,523	44,883,958
Change in net position					7,374,003	4,127,107	11,501,110	(1,226,999)	10,274,111
Net position - beginning					104,294,930	114,855,241	219,150,171	(4,319,594)	214,830,577
Prior period adjustment					(101,844)	234,879	133,035	323,290	456,325
Net position - ending	\$				\$ 111,567,089	\$ 119,217,227	\$ 230,784,316	\$ (5,223,303)	\$ 225,561,013

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



**CITY OF PHARR, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

		General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>						
Cash	\$	14,840,339	\$ 2,376,887	\$ 6,375,663	5,191,451	\$ 28,784,340
Receivables (net of allowance for uncollectible):						
Property taxes		1,821,586	-	-	241,250	2,062,836
Warrants		7,516,866	-	-	-	7,516,866
Sales tax		2,502,816	834,272	-	-	3,337,088
Notes		-	2,089,338	-	55,224	2,144,562
Accounts		827,632	-	-	143,563	971,195
Intergovernmental		-	-	400,000	-	400,000
Other		6,536,224	46,807	-	260,264	6,843,295
Prepaid Items		-	107,600	1,110,557	-	1,218,157
Inventories		1,026,573	-	-	-	1,026,573
Land Available for Sale		-	3,074,500	-	-	3,074,500
Due from other funds		1,845,285	205,000	140,744	-	2,191,029
Restricted assets:			-	-		
Cash		-	347,833	19,809,247	-	20,157,080
Cash with Fiscal Agent		2,163,114	-	-	-	2,163,114
Intergovernmental receivable		-	-	-	399,539	399,539
Total assets	\$	<u>39,080,435</u>	<u>\$ 9,082,237</u>	<u>\$ 27,836,211</u>	<u>6,291,291</u>	<u>\$ 82,290,174</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable	\$	2,199,793	\$ 502,623	\$ 1,323,171	475,286	\$ 4,500,873
Accrued liabilities		573,615	-	-	-	573,615
Due to other funds		205,000	83,225	1,213,019	634,242	2,135,486
Escrow accounts		2,073,746	12,088	335,117	-	2,420,951
Unearned revenue		-	-	-	-	-
Total liabilities		<u>5,052,154</u>	<u>597,936</u>	<u>2,871,307</u>	<u>1,109,528</u>	<u>9,630,925</u>
Deferred Inflows of Resources:						
Deferred property tax		1,821,586	-	-	241,250	2,062,836
Deferred accounts		827,632	-	-	143,563	971,195
Deferred warrants		7,516,866	-	-	-	7,516,866
Deferred notes		-	2,089,338	-	55,224	2,144,562
Total deferred inflow of resources		<u>10,166,084</u>	<u>2,089,338</u>	<u>-</u>	<u>440,037</u>	<u>12,695,459</u>

		General	Economic Development Corporation 4B	General Capital Improvements	Non-Major Governmental	Total Governmental
Fund balances:						
	Nonspendable:					
	Inventory	1,026,573	3,074,500	-		4,101,073
	Noncurrent advances	1,623,981	-	-	-	1,623,981
	Restricted:					
	General government	-	-	-	-	-
	Debt service	-	-	-	558,483	558,483
	Street paving and drainage	-	-	-	676,190	676,190
	Tourism	-	-	-	1,439,629	1,439,629
	Public safety	-	-	-	453,225	453,225
	Parkland	-	-	-	244,783	244,783
	Community development	-	-	-	514,277	514,277
	Economic development	-	3,320,463	-	855,139	4,175,602
	Committed:					
	Contingency	9,982,957	-	-	-	9,982,957
	Assigned:					
	General government	3,647,735	-	-		3,647,735
	Capital outlay	2,163,114	-	24,964,904		27,128,018
	Encumbrances	2,199,793	-	-	-	2,199,793
	Unassigned:					
		3,218,044	-	-	-	3,218,044
	Total fund balances	<u>23,862,197</u>	<u>6,394,963</u>	<u>24,964,904</u>	<u>4,741,726</u>	<u>59,963,790</u>
Total liabilities, deferred inflows of resources and fund balances		\$ <u><u>39,080,435</u></u>	\$ <u><u>9,082,237</u></u>	\$ <u><u>27,836,211</u></u>	\$ <u><u>6,291,291</u></u>	\$ <u><u>82,290,174</u></u>

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

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds balance sheet	\$	59,963,790
 (1) When capital assets that are to be used in governmental activities are purchased, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net asset includes those capital assets among the assets of the city as a whole		
Cost of capital assets	210,241,475	
Accumulated depreciation	<u>(91,321,819)</u>	118,919,656
 (2) Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% of the assets is allocated to governmental activities. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position		
Garage	<u>395,754</u>	395,754
 (3) Long-term liabilities applicable to the city's governmental activities are not due in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position		
Bonds/Certificates/Notes		
Current	(4,261,103)	
Long-term	(52,141,390)	
Capital leases	-	
Current	(1,655,720)	
Long-term	(5,721,056)	
Unamortized loss -Deferred outflow	146,340	
Unamortized debt activity	<u>(2,926,876)</u>	(66,559,805)
 (4) Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds		
Tax receivable	2,548,176	
Allowance	<u>(485,340)</u>	2,062,836
 (5) Because some sanitation, brush, and paving fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds		
Sanitation	722,599	
Brush & Debris	-	
Paving	143,563	
Library	53,559	
Alarm permits	<u>51,474</u>	971,195
 (6) Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable		
Bonds	(55,313)	
Certificates	(73,593)	
Notes	<u>(29,851)</u>	(158,757)

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018-Continued

(7) Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. The difference in compensated absences from last year to this year is recorded in the statement of activities			
	Current	(1,253,829)	
	Long-term	<u>(4,061,486)</u>	(5,315,315)
(8) Because some warrants will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds			
	Warrants receivable	12,664,433	
	Allowance	<u>(5,147,567)</u>	7,516,866
(9) Employers that participate in defined contribution OPEB plans are required to recognize OPEB liability for unpaid required contributions			
	OPEB Deferred Outflow	82,128	
	OPEB Liability	<u>(1,123,132)</u>	(1,041,004)
(10) Because some EDC loan receivables will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds.			
		<u>2,144,562</u>	2,144,562
(11) Deferred Outflow Pension Contributions			
	Deferred Inflow	(3,936,027)	
	Net Pension Liability	<u>(6,759,555)</u>	(7,332,692)
Rounding Difference			<u>3</u>
Net position of governmental activities - statement of net position		<u>\$</u>	<u>111,567,089</u>

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

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
REVENUES					
Taxes:					
Property	\$ 16,626,665	\$ -	\$ -	\$ 3,017,360	\$ 19,644,025
Sales	14,017,135	4,672,378	-	685,987	19,375,500
Franchise	2,491,884	-	-	3,042,840	5,534,724
Other	162,152	-	-	-	162,152
Licenses and permits	722,697	-	-	-	722,697
Intergovernmental	614,666	-	400,000	-	1,014,666
Fees and charges:					
Sanitation	2,861,932	-	-	-	2,861,932
Brush	1,182,051	-	-	-	1,182,051
Other	1,473,662	-	-	1,200,301	2,673,963
Fines	1,067,894	-	-	-	1,067,894
Interest income	281,309	89,135	-	46,299	416,743
Other	783,544	374,626	-	33,063	1,191,233
Total revenues	<u>42,285,591</u>	<u>5,136,139</u>	<u>400,000</u>	<u>8,025,850</u>	<u>55,847,580</u>
EXPENDITURES					
Current:					
General government	11,575,564	-	3,760,451	1,047,917	16,383,932
Public safety	22,822,815	-	2,873,036	907,082	26,602,933
Highways and streets	4,071,112	-	4,682,968	10,115	8,764,195
Health and welfare	2,853,212	-	-	-	2,853,212
Culture and recreation	5,235,128	-	6,618,233	399,881	12,253,242
Economic development	-	8,690,596	-	-	8,690,596
Debt service:					
Principal	1,371,606	4,595,485	689,391	5,390,242	12,046,724
Interest	97,919	378,005	216,696	1,699,977	2,392,597
Total expenditures	<u>48,027,356</u>	<u>13,664,086</u>	<u>18,840,775</u>	<u>9,455,214</u>	<u>89,987,431</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,741,765)</u>	<u>(8,527,947)</u>	<u>(18,440,775)</u>	<u>(1,429,364)</u>	<u>(34,139,851)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	8,026,700	1,229,500	22,787,522	5,345,799	37,389,521
Transfers (out)	(22,994,751)	(1,697,200)	(2,240,000)	(2,571,543)	(29,503,494)
Cost of Issuance	(306,385)	-	-	-	(306,385)
Issuance of debt	19,678,700	2,841,028	7,300,000	-	29,819,728
Issuance of debt-Premium	2,297,190	-	-	-	2,297,190
Total other financing sources and uses	<u>6,701,454</u>	<u>2,373,328</u>	<u>27,847,522</u>	<u>2,774,256</u>	<u>39,696,560</u>
SPECIAL ITEMS					
Gain/(Loss) Land Valuation	-	(356,190)	-	-	(356,190)
Total special items	<u>-</u>	<u>(356,190)</u>	<u>-</u>	<u>-</u>	<u>(356,190)</u>
Net change in fund balance	959,689	(6,510,809)	9,406,747	1,344,892	5,200,519
Fund balance - beginning	22,754,602	12,869,140	15,690,296	3,395,192	54,709,230
Prior period adjustment	147,906	36,632	(132,139)	1,642	54,041
Fund balance - ending	<u>\$ 23,862,197</u>	<u>\$ 6,394,963</u>	<u>\$ 24,964,904</u>	<u>\$ 4,741,726</u>	<u>\$ 59,963,790</u>

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

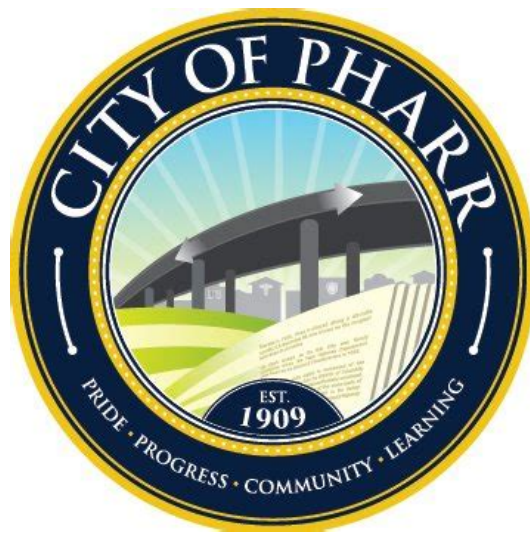
CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Amounts reported for governmental activities in the statement of activities are different because:

	Net change in fund balances - total governmental funds	\$	5,200,519
(1)	Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period		
	Capital assets purchases	25,200,306	
	Depreciation expense	<u>(4,036,439)</u>	21,163,867
(2)	Governmental funds do not recognize developer contribution of land, roads, paving and draining as donation/contribution revenue nor as an increase in governmental expenditures. This is the net amount by which contributed capital increased the capital assets net or related debt of the city		
	Contributed capital - drainage	618,801	
	Contributed capital - streets	<u>1,550,724</u>	2,169,525
(3)	Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% is allocated to governmental activities. This is the net revenue of certain activities of internal service funds		
	Garage	<u>(7,690)</u>	(7,690)
(4)	Repayment of bond principal is reported as an expenditure in governmental funds. For the city as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. The city's bonded debt was reduced in due to principal payments made to bondholder's and the amortization of the debt issuance cost, premium/discount, and gain or loss on refunding, which results in an increase to interest expenses. Also, any new debt issuances are recorded as other financial sources but not counted as revenue in governmental activities. This is the result of debt activity		
	New lease/notes proceeds	(12,579,728)	
	Certificate of Obligation proceeds	(19,537,189)	
	Lease/Notes	1,901,848	
	Tax Notes Principal Paid	689,391	
	Bond Principal Paid	4,860,000	
	Loan Principal Paid	4,595,485	
	Unamortized debt activity	<u>232,277</u>	(19,837,916)
(5)	Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds		
	Collections	<u>44,604</u>	44,604
(6)	Because some sanitation and brush fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds		
	Sanitation	22,570	
	Paving	1,146	
	Library	2,255	
	Alarm Fees	<u>16,370</u>	42,341

CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

(7)	Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable	Current year accrual (158,757) Prior year accrual 127,081	(31,676)
(8)	Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. Compensated absences is recorded in the statement of assets	Current year (5,015,315) Prior year 5,436,784	421,469
(9)	Because some warrant fines will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds	Prior Year Warrant A/R (8,624,531) Current Year Warrant A/R 7,516,866	(1,107,665)
(10)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB expense/expenditures for their net required contributions to the plan	OPEB Liability - This fiscal year (363,376) Trust fund contributions 188,763	(174,613)
(11)	Loans issued to outside entities for Economic development are considered expenses governmental funds but not in the statement of activities.	532,846	532,846
(12)	GASB 68 recognition on Pension Expense requires an adjustment to reflect in Statement of Activities	\$ (488,234) \$	(488,234)
(13)	Bad Debt Expenditures for Governmental Note Receivables are considered expenditures in Statement of Activities but not in the Statement of Revenues and Expenses		(553,375)
	Rounding difference		<u>1</u>
	Change in net position of governmental activities	<u>\$ 7,374,003</u>	



CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
<u>ASSETS</u>						
Current assets:						
Cash	\$ 741,142	\$ 326,728	\$ 5,762,192	\$ 347,413	\$ 7,177,475	\$ 59,602
Receivables (net of allowance for uncollectible):			-	-		
Accounts	2,707,042	232,916	103,084	22,686	3,065,728	-
Other	1,432	-	-	-	1,432	-
Prepayment	-	-	-	-	-	
Inventories	138,421	9,261	-	9,903	157,585	61,416
Restricted assets:						
Cash	13,280,149	-	148,659	-	13,428,808	-
Cash with Fiscal Agent	-	-	1,280,462	335,731	1,616,193	-
Total current assets	16,868,186	568,905	7,294,397	715,733	25,447,221	121,018
Capital assets						
Water Rights (nondepreciable)	3,450,000	-	-	-	3,450,000	-
Land (nondepreciable)	814,236	785,224	819,645	999,342	3,418,447	365,017
Buildings (net of acc. depreciation)	10,894,477	2,367,221	1,349,704	313,819	14,925,221	2,031
Improvements other than buildings (net of acc. depreci:	617,967	101,603	149,190	1,992,621	2,861,381	-
Machinery and equipment (net of acc. depreciation)	2,159,031	19,822	2,513,934	190,213	4,883,000	11,598
Infrastructure (net of acc. depreciation)	96,834,527	-	12,364,948	23,513	109,222,988	-
Construction in progress (nondepreciable)	4,763,401	-	1,945,916	-	6,709,317	-
Total capital assets	119,533,639	3,273,870	19,143,337	3,519,508	145,470,354	378,646
Total noncurrent assets	119,533,639	3,273,870	19,143,337	3,519,508	145,470,354	378,646
Total assets	136,401,825	3,842,775	26,437,734	4,235,241	170,917,575	499,664
<u>DEFERRED OUTFLOW OF RESOURCES</u>						
Unamortized loss on refunding of debt	260,648	-	9,219	-	269,867	-
Total deferred outflow of resources	260,648	-	9,219	-	269,867	-

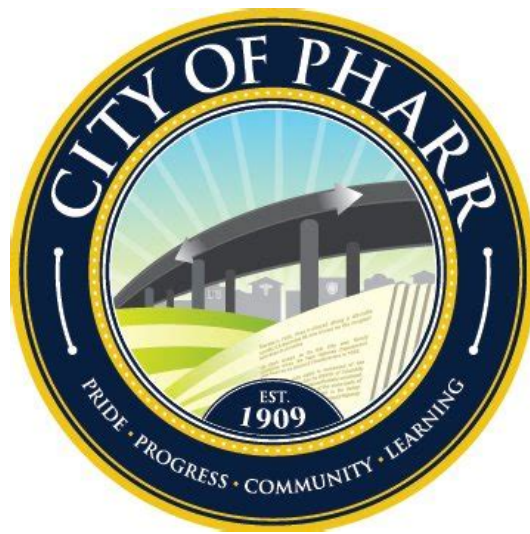
Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	Boggus Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
LIABILITIES						
Current liabilities payable:						
Accounts payable	1,126,222	50,569	969,737	41,840	2,188,368	30,769
Due to other funds	15,179	4,753	12,152	3,469	35,553	19,988
Unearned revenue	-	29,312	-	48,328	77,640	-
Total current liabilities payable	<u>1,141,401</u>	<u>84,634</u>	<u>981,889</u>	<u>93,637</u>	<u>2,301,561</u>	<u>50,757</u>
Current liabilities payable from restricted assets:						
Customer deposits payable	478,669	-	-	-	478,669	-
Escrow payable	218,750	-	-	-	218,750	-
Matured accrued compensation	105,651	14,732	43,745	19,543	183,671	8,690
Matured capital lease	260,736	-	458,682	48,571	767,989	7,791
Matured bonds/notes, net	3,084,000	-	625,000	-	3,709,000	-
Total current liabilities payable from restricted assets	<u>4,147,806</u>	<u>14,732</u>	<u>1,127,427</u>	<u>68,114</u>	<u>5,358,079</u>	<u>16,481</u>
Total current liabilities	<u>5,289,207</u>	<u>99,366</u>	<u>2,109,316</u>	<u>161,751</u>	<u>7,659,640</u>	<u>67,238</u>
Noncurrent liabilities:						
Accrued compensation	316,952	44,195	131,236	58,630	551,013	26,069
Other post employment benefit	-	-	-	-	-	-
Capital lease payable	1,493,972	-	1,325,132	244,751	3,063,855	10,603
Bonds/notes principal payable	38,544,239	-	2,151,463	-	40,695,702	-
Total noncurrent liabilities	<u>40,355,163</u>	<u>44,195</u>	<u>3,607,831</u>	<u>303,381</u>	<u>44,310,570</u>	<u>36,672</u>
Total liabilities	<u>45,644,370</u>	<u>143,561</u>	<u>5,717,147</u>	<u>465,132</u>	<u>51,970,210</u>	<u>103,910</u>
NET POSITION						
Invested in capital assets, net of related debt	77,626,639	3,273,871	14,583,059	3,226,187	98,709,756	370,854
Restricted for:						
Debt service	3,164,337	-	148,659	-	3,312,996	-
Capital projects	6,384,676	-	-	335,731	6,720,407	-
Tourism	-	425,343	-	-	425,343	-
Unrestricted	3,842,451	-	5,998,088	208,191	10,048,730	24,900
Total net position	<u>\$ 91,018,103</u>	<u>\$ 3,699,214</u>	<u>\$ 20,729,806</u>	<u>\$ 3,770,109</u>	<u>\$ 119,217,232</u>	<u>\$ 395,754</u>

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

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
Operating revenues:						
Charges for sales and services:						
Water sales	\$ 7,834,914	\$ -	\$ -	\$ -	\$ 7,834,914	\$ -
Sewer service	5,698,208	-	-	-	5,698,208	-
Tap fees	293,635	-	-	-	293,635	-
Toll fees	-	-	13,675,346	-	13,675,346	-
Golf services	-	-	-	699,330	699,330	-
Event Center	-	340,926	-	-	340,926	-
Other	125,711	-	302,586	102,066	530,363	685,928
Total operating revenues	13,952,468	340,926	13,977,932	801,396	29,072,722	685,928
Operating expenses:						
Personnel services	3,152,671	403,301	1,061,295	717,411	5,334,678	181,955
Supplies and Materials	1,461,828	121,903	166,135	224,790	1,974,656	-
Contractual Services	3,040,153	149,522	1,887,524	208,984	5,286,183	474,064
Depreciation	4,585,007	93,363	768,429	247,668	5,694,467	37,036
Total operating expenses	12,239,659	768,089	3,883,383	1,398,853	18,289,984	693,055
Operating income (loss)	1,712,809	(427,163)	10,094,549	(597,457)	10,782,738	(7,127)
Nonoperating revenues (expenses):						
Investment earnings	148,474	1,656	96,427	12,852	259,409	-
Interest expense	(1,412,926)	-	(185,543)	(15,892)	(1,614,361)	(562)
Amortization expense	332,847	-	31,811	-	364,658	-
Intergovernmental	-	-	-	-	-	-
Other	1,167	-	-	2,861	4,028	-
Issuance cost	-	-	-	-	-	-
Total nonoperating revenues (expenses)	(930,438)	1,656	(57,305)	(179)	(986,266)	(562)
Income before contributions and transfers	782,371	(425,507)	10,037,244	(597,636)	9,796,472	(7,689)
Transfers in	-	398,599	520,000	439,200	1,357,799	-
Transfers (out)	(565,500)	-	(9,237,527)	-	(9,803,027)	-
Capital contributions	2,775,865	-	-	-	2,775,865	-
	2,210,365	398,599	(8,717,527)	439,200	(5,669,363)	-
Changes in Net Position	2,992,736	(26,908)	1,319,717	(158,436)	4,127,109	(7,689)
Total net position - beginning	87,890,591	3,730,982	19,305,121	3,928,545	114,855,239	403,443
Prior period adjustment	134,776	(4,860)	104,968	-	234,884	-
Total net position - ending	\$ 91,018,103	\$ 3,699,214	20,729,806	\$ 3,770,109	\$ 119,217,232	\$ 395,754

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

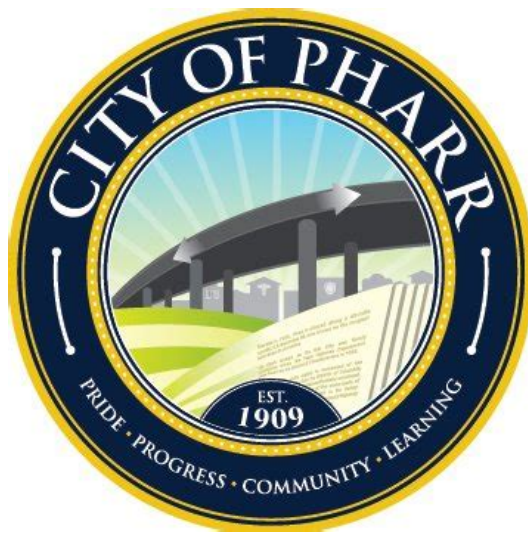


**CITY OF PHARR, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 12,274,034	\$ 202,575	\$ 13,678,041	\$ 794,804	\$ 26,949,454	\$ 685,928
Payments to suppliers	(1,396,753)	(126,577)	(166,135)	(230,341)	(1,919,806)	(12,683)
Payments to employees	(3,376,223)	(420,784)	(1,136,810)	(754,664)	(5,688,481)	(193,643)
Payments for contractual services	(2,883,021)	(102,829)	(1,107,906)	(230,354)	(4,324,110)	(471,351)
Payments (to)/from others	75,899	-	302,586	-	378,485	-
Net cash flow (to)/from operating activities	4,693,936	(447,615)	11,569,776	(420,555)	15,395,542	8,251
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Receipts from grants					-	-
Advances (to)/from other funds	(7,933)	(505)	(3,285)	(4,526)	(16,249)	(1,923)
Transfers in from other funds	-	398,599	520,000	439,200	1,357,799	-
Transfers out to other funds	(565,500)	-	(9,237,527)	-	(9,803,027)	-
Net cash provided/(used) by noncapital and related financing activities	(573,433)	398,094	(8,720,812)	434,674	(8,461,477)	(1,923)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Bond/Lease Proceeds					-	-
Acquisition and construction of capital assets	(7,184,322)	-	(3,751,488)	(141,564)	(11,077,374)	-
Principal paid on long-term debt	(1,599,696)	-	(637,868)	181,369	(2,056,195)	(7,656)
Interest paid on long-term debt	(1,553,545)	-	(178,461)	(15,892)	(1,747,898)	(562)
Other	532,345	(4,863)	139,082	2,860	669,422	-
Net cash provided/(used) by capital and related financing activities	(9,805,218)	(4,863)	(4,428,735)	26,773	(14,212,045)	(8,218)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income received	148,474	1,657	96,427	12,852	259,410	-
Net cash provided/(used) by investing activities	148,474	1,657	96,427	12,852	259,410	-
NON CASH INVESTING/FINANCING ACTIVITIES						
Capital Contributions	2,775,865	-	-	-	2,775,865	-
Noncash provided/(used) by investing/financing	2,775,865	-	-	-	2,775,865	-
Net increase/(decrease) in cash	(2,760,376)	(52,727)	(1,483,344)	53,744	(4,242,703)	(1,890)
Cash beginning of fiscal year	16,781,667	379,455	8,674,657	629,400	26,465,179	61,492
Cash end of fiscal year	\$ 14,021,291	\$ 326,728	7,191,313	\$ 683,144	\$ 22,222,476	\$ 59,602

	Business-type Enterprise Funds					Governmental
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	Activities - Internal Service Fund
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 1,712,809	(427,163)	10,094,549	(597,457)	\$ 10,782,738	\$ (7,127)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	4,585,007	93,363	768,429	247,668	5,694,467	37,036
(Increase) Decrease in Accounts and Other Receivables, net	85,297	(148,750)	7,867	(6,705)	(62,291)	-
(Increase) Decrease in Inventories	65,075	(4,674)	-	(5,551)	54,850	-
(Increase) Decrease in Other Assets	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	157,132	46,694	779,618	(21,370)	962,074	-
Increase (Decrease) in Accrued Compensation	(223,552)	(17,483)	(75,514)	(37,253)	(353,802)	-
Increase (Decrease) in Deferred/Escrow Revenue	75,899	10,398	(5,173)	113	81,237	-
Increase (Decrease) in Customer Deposits	(1,763,731)	-	-	-	(1,763,731)	-
Increase (Decrease) in Other Liabilities	-	-	-	-	-	-
Total adjustments	<u>2,981,127</u>	<u>(20,452)</u>	<u>1,475,227</u>	<u>176,902</u>	<u>4,612,804</u>	<u>37,036</u>
Net cash provided (used) by operating activities	\$ <u>4,693,936</u>	\$ <u>(447,615)</u>	<u>11,569,776</u>	\$ <u>(420,555)</u>	\$ <u>15,395,542</u>	\$ <u>29,909</u>

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



DISCRETE COMPONENT UNITS

BASIC FINANCIAL STATEMENTS

PHARR HOUSING FINANCE CORPORATION (PHFC)

JACKSON PLACE APARTMENTS

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Pharr Housing Finance Corporation	PHFC Jackson Place Apartments	Total
<u>ASSETS</u>			
Current assets:			
Cash	\$ 3,392,792	\$ 247,988	\$ 3,640,780
Receivables (net of allowance for uncollectible)	-	10,483	10,483
NonCurrent assets:			
Restricted assets:			
Cash	-	2,906,512	2,906,512
Total current assets	<u>3,392,792</u>	<u>3,164,983</u>	<u>6,557,775</u>
Capital assets			
Land (nondepreciable)	-	1,500,000	1,500,000
Buildings	-	26,502,558	26,502,558
Machinery and Equipment	-	130,232	130,232
Total capital assets	<u>-</u>	<u>28,132,790</u>	<u>28,132,790</u>
Total assets	<u>3,392,792</u>	<u>31,297,773</u>	<u>34,690,565</u>
<u>LIABILITIES</u>			
Current liabilities payable:			
Current portion debt payable	-	598,083	598,083.00
Accounts payable and other current liabilities	4,061,300	1,718,935	5,780,235
Unearned revenue	-	10,260	10,260
Total current liabilities payable	<u>4,061,300</u>	<u>2,327,278</u>	<u>6,388,578</u>
Noncurrent liabilities:			
Due in more than one year, net	-	33,525,290	33,525,290
Total non current liabilities	<u>4,061,300</u>	<u>35,852,568</u>	<u>39,913,868</u>
Total liabilities			
<u>NET POSITION</u>			
Net Invested in capital assets	-	(5,990,583)	(5,990,583)
Unrestricted	(668,508)	1,435,788	767,280
Total net position	<u>(668,508)</u>	<u>1,435,788</u>	<u>767,280</u>
	\$ <u>(668,508)</u>	\$ <u>(4,554,795)</u>	\$ <u>(5,223,303)</u>

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

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Component Unit
Component Unit				
Pharr Housing Finance Corporation	\$ 1,427,090	\$ -	\$ -	\$ (1,427,090)
PHFC Jackson Place Apartments	977,988	1,312,293	1,417,090	1,751,395
Debt Interest and Issuance Cost	1,650,827	-	-	(1,650,827)
Total component unit	<u>\$ 4,055,905</u>	<u>\$ 1,312,293</u>	<u>\$ 1,417,090</u>	<u>\$ (1,326,522)</u>
 Total component unit	 <u>\$ 4,055,905</u>	 <u>\$ 1,312,293</u>	 <u>\$ 1,417,090</u>	 <u>\$ (1,326,522)</u>
<u>General revenues:</u>				
Investment earnings				9,160
Other				90,363
Total general revenues and transfers				99,523
Change in net position				(1,226,999)
Net position - beginning				(4,319,594)
Prior Period Adjustment				323,290
Net position - ending				<u>\$ (5,223,303)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Pharr, Texas (City) founded in 1909 and was incorporated as a general law city on February 22, 1916. The City charter was approved via election and adopted with an effective date of December 1, 1949. The charter established a City Manager form of government. The municipal government provided by the Charter of the City of Pharr shall be known as the Board of Commissioners. The Board of Commissioners shall consist of a Mayor and six (6) Commissioners and which shall enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who is held responsible to the Board of Commissioners for the execution of the laws and the administration of the government of the City.

The general governmental functions include law enforcement, fire and other public safety activities, streets, sanitation, public improvements, public charities, parks and recreation, library services, zoning and general administrative services. Enterprise funds are used to account for the operations of its utility, bridge, and golf operations.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United State of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (FASB), when applicable.

B. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government: City of Pharr

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units with the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the city appoints a voting majority of the organization's board
- the City can impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Blended Component Unit

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Commission or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

The City has three blended component units, the Pharr Economic Development Corporation (PEDC) II, Inc., Pharr Public Facilities Corporation No. 1 and Tax Increment Reinvestment Zone No. 1. Information for these component units is stated below:

Pharr Economic Development Corporation II, Inc. – (PEDC) is a nonprofit industrial development corporation organized for the same purpose as the PEDC 4a but with the legal authority to use sales tax funds for a wider range of projects. Sales taxes are collected under Section 4B of the Development Corporation Act of 1979 for these purposes. Voted by the citizens of Pharr on November 4, 2008 and ratified by the City Commission on November 10, 2008 via ordinance O-2008-49, the PEDC 4a was dissolved and the PEDC was authorized to receive the sales tax revenue which is its main revenue source. The PEDC board is fully appointed by the City Board of Commissioners.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

B. Financial Reporting Entity- (continued)

The reason it is a blended component unit is because the City appoints all PEDC board members and can be removed them at will, therefore, the PEDC board is substantially the same as the City governing body. Separate financial statements issued by the PEDC can be obtained by request at the following address: *PEDC- 1215 South Cage Blvd. Pharr, TX 78577.*

Tax Increment Reinvestment Zone No. 1-On March 2012, the City Commissioners created the Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1). TIRZ is a separate entity with its own EIN, whose three of its board members consists of the same members of the City Commission. TIRZ No. 1 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area. Created by ordinance No. O-2011-46 in September 2011, TIRZ No. 1 is set to expire on January 1st, 2051 or the date when all project costs are paid, and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 1 can be obtained by request at the following address: *TIRZ No. 1 P.O. Box 1729 Pharr, TX 78577.*

Tax Increment Reinvestment Zone No. 2-On February 2015, the City Commissioners created the Tax Increment Reinvestment Zone No. 2 (TIRZ No. 2). TIRZ is a separate entity with its own EIN, whose three of its board members consists of the same members of the City Commission. TIRZ No. 2 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area. Created by ordinance No. O-2015-52 in November 2015 TIRZ No. 2 is set to expire on January 1st, 2035 or the date when all project costs are paid, and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 2 can be obtained by request at the following address: *TIRZ No. 2 P.O. Box 1729 Pharr, TX 78577.*

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the City's component unit. The unit is reported in a separate column to emphasize that they are legally separate from the City but are included because the primary government is financially accountable and can impose its will on the organization. This component unit subscribe to the accounting policies and procedures of the primary government.

Pharr Housing Finance Corporation-On November 2015, the Pharr Housing Finance Corporation (PHFC) was created for the purpose of carrying out the purposes of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, by providing a means of financing the cost of residential ownership and development that will provide decent, safe and sanitary housing for residents of the City of Pharr at prices they can afford. The Board of Directors is composed in its entirety of persons who are members of the governing body of the City, and whose terms of office shall be fixed by and run conterminous with their respective terms of office on such governing body of the City. PHFC is considered a Discrete Component Unit based on the criteria established by GASB Statement No. 61. PHFC uses same fiscal year as City of Pharr

PHFC Jackson Place Apartments-On November 2015, PHFC Jackson Place Apartments Corporation was created for the purpose of holding liability to construct an apartment complex located on the corner of Jackson and Sioux Rd. in Pharr, Texas to meet the purpose of the Texas Housing Finance Corporation Act mentioned above. The City Manager is the designated official to act as the Executive Director of the corporation.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

C. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all the non-fiduciary financial information for the City and its component units. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Eliminations have been made to minimize the double-counting of internal activities. Individual funds are not displayed but the statements distinguish governmental activities (generally supported by taxes and City general revenue) from business-type activities (generally financed in whole or in part with fees charged to external customers). The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements.

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

The fund financial statements provide reports on the financial condition and results of operations about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increase (revenues) and decrease (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation-(continued)

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

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

E. Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

- *General Fund* – reports the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.
- *General Capital Improvements Fund*- This fund is used to account for all construction projects not accounted in enterprise funds.
- *Pharr Economic Development Corporation, Inc.*– is a nonprofit industrial development corporation organized for the purpose of promoting, assisting and enhancing economic development activities for the City. Although this fund does not meet the size criteria for major fund categorization, the City is including it as a major fund because it is believed that this fund is particularly important to financial statement users due to of public interest.

Proprietary Funds

The City reports the following major enterprise funds:

- *Utility Fund* – accounts for the provision of water and sewer services to the residents of the City.
- *Event Center*-accounts for event venue to host concerts to attract tourism to the City of Pharr
- *Bridge Fund* – accounts for the operating function of the City's international bridge with Mexico.
- *Golf Fund*-accounts for the operating function of the golf course including golf event hall, greens, pro-shop and concessions.
-

Other Fund Types

Additionally, the City reports internal service funds which are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These services include fleet management. These are proprietary funds that are reported with governmental activities in the government-wide financial statements because most of the activity is for governmental activities. Direct expenses are not eliminated from the various functional categories, whereas indirect expenses are. Reimbursements are treated as a reduction of expenses.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity

1. Cash and Investments

Cash of all funds, including restricted cash, are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's pooled cash are available upon demand and are "cash equivalents" when preparing these financial statements. All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Taxable property includes real property and certain personal property situated in the City. Certain properties of religious, educational and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions in arriving at the total assessed valuation of taxable property.

The valuations are subject to County-wide revaluation every three years. The effective tax rate is based upon the previous year's total assessed valuation.

Allowances for uncollectible tax receivables within the General and Debt Service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and included as part of the allowance for uncollectible; except for tax receivables over 20 years, the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The City does not write off tax receivable greater than 20 years.

3. Inventories

The inventories are recorded at cost and are accounted for by the consumption method.

4. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible. The three main receivables that contain allowances are for property taxes, utility accounts, and warrants. For these categories the allowance was based on historical collection rates, the allowances are 2% for property taxes as well as for utility accounts, and 20% for warrants. As of February 2017, the City recommended doing 100% allowance for warrants older than 10 years.

5. Transactions between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

6. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

Assets capitalized have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	50 Years
Infrastructure	30 Years
Improvements	20 Years
Water and Sewer System	30-50 Years
Machinery and Equipment	3-15 Years

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated annual and sick leave balances. The City's policy allows employees to accumulate unused sick leave and extra compensation time on an unlimited basis and vacation leave based on the number of years of full-time employment with the City in accordance with the following chart:

Years of Employment	Pro-Rata Accrual Rate per Month
0-19 Years	10 hours (15 days per year)
20 & Over	13.33 hours (20 days per year)

Nonexempt employees may accumulate no more than a maximum of two years allotment of vacation leave as set above, except for civil service nonexempt employees, which can accumulate more than the maximum. Exempt employees can also accumulate more than the maximum. Sick leave may be accrued but will not be paid out to employees that leave before retirement.

8. Long-Term Obligations

In the government-wide, proprietary and component unit financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method as the amount is immaterial against the effective interest method. Gain or loss on refunding are not netted against the liability but recorded in as deferred outflow/inflow of resources. Issuance cost is recorded as an expense for the period incurred and is no longer amortized over the life of the bond after implementing GASB Statement No. 65 and Statement No. 63. In the fund financial statements, long-term liabilities are not recorded in the governmental funds as the payment of the obligations will not be made by current financial resources. The governmental fund financial statements recognize the proceeds of debt as other financing resources.

9. Restricted Assets

The proceeds and required reserves of debt issuances are recorded as restricted assets as they are restricted for debt service and/or capital projects, payments and/or purchases.

10. Net Position / Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available or are legally restricted by outside parties for use for a specific purpose.

11. Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates by management. All estimates are made utilizing a conservative philosophy for both revenues and expenditures.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

12. General Fund's Fund Balance Policy

The City has adopted GASB 54 through a resolution as part of its fiscal year ending September 30, 2011. Implementation of GASB 54 is required of all cities for the fiscal year ending in 2011. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the City's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances which are non-spendable and spendable.

Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, non-current advances to other funds that not expected to be collected in the next fiscal year, and the principal (corpus) of an endowment fund. The City has inventories that are considered non-spendable, an encumbrance, and a non-current advance to the PEDC II. The City does not have any prepaid items or non-spendable funds related to an endowment.

In addition to non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. All the City's restricted funds are from Special Revenue Funds, whose funds are revenues legally restricted to expenditures for a particular purpose.

- Committed: Fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The responsibility to commit funds rests with the elected City Commissioners and Mayor through an approved resolution. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. The City formally approved the recording of its self-named "Contingency" fund balance as committed. The Contingency fund balance policy is as follows:

The City shall strive to maintain the General Fund (not the combined reporting General Fund which consists of the Payroll, Contingency, and the General funds) committed fund balance at 90 days (25%) of the current year's original budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchase, debt service, annual economic incentives, and the annual transfer from the General Fund to the other funds (Charter mandated contingency funding will not take place so long as the contingency fund is fully funded). This amount changes slightly from year to year; for this fiscal year, the General Fund committed balance was fully funded at the end of September 30, 2018.

These funds shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. The use of these funds will be approved by the City Commission. Use of these funds will be disclosed to the City Commission. If the required amount goes below the stated policy amount, the City will set aside enough portion of the upcoming fiscal year's budget to meet the required reserve amount. Any surpluses realized at year end shall be used first to meet reserve policies, then capital replacement purposes, then retirement/extinguishing of debt.

- Assigned: Fund balances that contain self-imposed constraints of the government to be used for a purpose. The responsibility to assign funds rests with the City Manager. The only funds assigned relate to the accumulation of funds for future capital projects.

- Unassigned: Fund balance of the general fund that is not constrained for any purpose. This is also where negative amounts from the other categories of fund balance are recognized.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

12. General Fund's Fund Balance Policy-(continued)

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of assigned, then unassigned, and finally committed funds.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Data

1. Budget Policy and Practice

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Annual budgets are legally adopted for all City funds with revenue and expense/expenditure activity. The City Charter states that between sixty (60) and ninety (90) days prior to the end of the fiscal year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures/expenses and the proposed method to finance them.

Dates for public hearings, the purpose of which are to obtain taxpayers' comments, are set by the Board of Commissioners at the time the budget is submitted to that body. The Board of Commissioners may add to, subtract from or change appropriations, but may not change the form of the proposed budget.

Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations between/within a department in the same fund with the City Manager's approval. Transfers of appropriations between funds require the approval of the Board of Commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

At any time during the fiscal year, the City Manager can reallocate expenditures within a fund without the approval of the Board of Commissioners. However, any revisions to the budget which increase the total budgeted expenditures/expenses within any fund must be approved by the Board of Commissioners.

As of September 30, 2018, the City of Pharr Commissioners approved four (4) Budget Amendments with a net effect of \$1,496,100 in expenditures over revenues which was available with cash on hand.

B. Excess of General Fund Expenditures over Appropriations

None

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

C. Budget Basis of Accounting

The City prepares its annual budget on a basis (budget basis), which slightly differs from generally accepted accounting principles (GAAP Basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are debt service transactions, capital outlay purchases, and the recording of bond/loan proceeds.

D. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None	Not applicable

E. Deficit Fund Equity/Net Position

The new added discretely component unit PHFC- Jackson Place Apartments shows a deficit in net position due to the nature of the project being in progress; this amount will eventually begin to capitalize and show a positive net position.

F. Prior Period Adjustment

Prior period adjustments (PPA) were needed in several funds to properly state the correct financial position of the City. The PPA amounts and the reason are as follows:

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Governmental Funds:		
<u>General Fund:</u>		
To adjust prior year payables	\$ (67,895)	
To adjust prior year payroll liabilities	188,012	
To correct prior year receivables	<u>27,789</u>	
		<u>\$ 147,906</u>
<u>General CIP:</u>		
To correct prior year receivables	<u>(132,139)</u>	
		<u>(132,139)</u>
<u>PEDC:</u>		
To correct prior year receivables	<u>36,632</u>	
		<u>36,632</u>
<u>Other Funds:</u>		
To correct prior year receivables	<u>1,642</u>	
		<u>1,642</u>
Total Governmental Fund Adjustment		<u>54,041</u>
 Government-Wide Adjustments		
To adjust Prior Year OPEB Liabilities	(238,013)	
To adjust Prior Year OPEB Deferred Outflow	<u>82,128</u>	
		<u>\$ (155,885)</u>
Total Prior Period Adjustment		<u>(101,844)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

F. Prior Period Adjustment-(continued)

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Proprietary Funds:		
<u>Enterprise Fund: Utility Fund:</u>		
To adjust prior year unearned revenue	<u>\$ 134,776</u>	<u>\$ 134,776</u>
<u>Enterprise Fund: Event Center Fund:</u>		
To adjust prior year receivable	<u>(4,860)</u>	<u>(4,860)</u>
<u>Enterprise Fund: Bridge Fund</u>		
To adjust prior year receivable	\$ 104,968	<u>\$ 104,968</u>
Total Proprietary Fund Adjustment		<u><u>\$ 234,884</u></u>

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

City's funds are required to be deposited and invested under the terms of a depository contract and investment policy pursuant to state statute. The depository bank deposits for safekeeping and trust with its agent approved pledged securities authorized by Chapter 2257 Collateral for Public Funds of the Government Code in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At September 30, 2018, the carrying amount of all the City's deposits was \$63,209,826 (Bank Balance). The City has one depository account: Lone Star National Bank (LSNB).

<u>LSNB Depository Account-City of Pharr</u>	<u>Balance September 30, 2018</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	67,235,000
(Over-insured)/over-collateralized	<u>(4,275,174)</u>
Total Deposits	<u><u>\$ 63,209,826</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS-(continued)

A. Deposits and Investments-(continued)

1. Deposits -(continued)

	Balance
<u>LSNB Depository Account-PEDC</u>	<u>September 30, 2018</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	2,831,134
(Over-insured)/over-collateralized	(525,352)
Total Deposits	<u>\$ 2,555,782</u>

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy of maintaining contact with the trust department of its depository agency to eliminate all custodial credit risk. As of September 30, 2018, the City's bank balance was not exposed to custodial credit risk and was over-insured and over-collateralized.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest deposit:

- a. Depository: **LSNB**
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$93,055,000
- c. The highest combined balances of cash accounts amounted to \$110,385,933 and occurred during **December 2017**
- d. The total amount of FDIC coverage at the time of the largest combined balance was \$250,000 during September 2018

Restricted cash is defined as the cash balances restricted by the funder for a specific purpose. Cash with fiscal agents of \$3,779,307 on September 30, 2018, was covered by collateral held in the fiscal agents' trust departments, but not in the City's name. The trust department pledges a pool of collateral against all trust deposits it holds. U.S. Bancorp is the fiscal agent for the City.

2. Investments

The City is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, implement, and publicize an investment policy. That policy must be written, primarily emphasize safety of principal and liquidity, address investment diversification, yield, and maturity and the quality and capability of investment management and include a list of the types of authorized investments in which the investing entity's funds may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purposes financial statements disclosed that in the areas of investment practices, management reports and establish appropriate policies. The City adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local policies.

Due to the extremely low interest rates, the City had not engaged in any investments other than savings accounts in LSNB before FY 2015-2017, however due the expiration of contract and change in rates, City started to diversify and invested a certain portion of its Contingency cash balance set aside into TexPool and CD's in Lone Star National Bank.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

- a. **Interest Rate Risk**
This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk. The City's investment policy states that no investment shall exceed 24 months in maturity. By limiting the exposure of its investments, the City reduces its risk to the rising or decreasing interest rates.
- b. **Credit Risk**
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year end, the City was not exposed to credit risk.
- c. **Custodial Credit Risk**
Deposits and investments are exposed to custodial credit risk if they are not covered by depository insurance and the deposits and investments are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name. At year end, the City was not exposed to custodial credit risk. See Note III A.1 for more information on this risk.
- d. **Concentration of Credit Risk**
This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was exposed to concentration of credit risk, but highly collateralized. With the City's investment policy, diversification is stressed.

The City followed its diversification investment guidelines. At the beginning of year, all deposits were placed into LSNB due to previous depository agreement given a rate of return of 2%, now with a renewed agreement, rates are lower, and diversification is even needed more. The City invested in TexPool a portion of its contingency fund as of May 2016 of last year and has accrued interest since then.
- e. **Foreign Currency Risk**
This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

The City of Pharr Investment activity as of September 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Market Value</u>
Texpool Investments	\$ 3,950,591	\$ -	\$ -	\$ 4,011,678	\$ 4,011,678
LSNB-CD	-	300,000	-	300,000	300,000
Total	<u>\$ 3,950,591</u>	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 4,311,678</u>	<u>\$ 4,311,678</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

GASB No. 79 requires additional note disclosure requirements for qualifying external investment pools that measure all their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Texpool revised its Investment Policy to comply with GASB No. 79 as of August 2017 which includes the use of amortized cost to value portfolio assets and the following guidelines to maintain the portfolio consistent with a stable net asset value per share:

- The maximum remaining maturity of any security of other investment acquired for the portfolio shall be 397 calendar days or less.
- The portfolio should maintain a weighted average maturity of 60 days or less
- The portfolio should maintain a weighted average life of 120 days or less

B. Receivables

Receivables for the City at September 30, 2018, were as follows:

	Governmental Activities			Business-Type Activities			
	General	Other	Total	Utility	Event Center	Bridge & Golf	Total
Property taxes	\$ 2,240,988	\$ 307,188	\$ 2,548,176	\$ -	\$ -	\$ -	\$ -
Warrants	12,664,433	-	12,664,433	-	-	-	-
Sales Tax	2,502,816	834,272	3,337,088	-	-	-	-
Notes	-	2,144,564	2,144,564	-	-	-	-
Accounts	947,802	146,080	1,093,882	2,786,307	-	125,770	2,912,077
Intergovernmental	-	399,539	399,539	-	-	-	-
Franchise taxes	460,727	-	460,727	-	-	-	-
Component Units	5,685,280	-	5,685,280	-	-	-	-
Other	390,217	707,071	1,097,288	1,432	232,916	-	234,348
Gross receivables	24,892,263	4,538,714	29,430,977	2,787,739	232,916	125,770	3,146,425
Less; allowance for uncollectible	(5,687,140)	(68,457)	(5,755,597)	(79,264)	-	-	(79,264)
Net total receivable	\$ 19,205,123	\$4,470,257	\$ 23,675,380	\$ 2,708,475	\$ 232,916	\$ 125,770	\$ 3,067,161

B-1. Notes Receivable

Notes Receivables for the Pharr Economic Development Corporation at September 30, 2018, were as follows:

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

B-1. Notes Receivable —(continued)

Note	Outstanding Balance As of 10/1/2017	Increases	Decreases	Outstanding Balance As of 9/30/2018
Reyes Garza, 05/13/2012, for the amount of \$27,021.68 at an interest rate of 6.00% with maturity on April 13, 2027.	\$ 20,137	\$ -	\$ 1,719	\$ 18,418
Moonbeans Coffee, 04/01/15, for the amount of \$117,122.99 at an interest rate of 4.00% with maturity on August 01, 2019.	96,388	-	3,498	92,889
Stormy Colors, 07/01/2015, for the amount of \$40,000 at an interest rate of 5.00% with maturity on 08/01/2017	40,000	-	-	40,000
Irma's Sweete Shoppe, 02/01/16, for the amount of \$100,000 at an interest rate of 3.00% with maturity on January 01, 2021.	93,761	-	3,239	90,522
Irma's Sweete Shoppe II, 04/16/2017, for the amount of \$50,000 at an interest rate of 3.00% with maturity on April 6, 2022.	49,235	-	1,560	47,675
American Star, 03/22/2016, for the amount of \$15,000 at an interest rate of 5.00% with maturity on April 01, 2020.	10,026	-	3,411	6,616
Pharr Bridge Investment, 02/11/2016, for the amount of \$900,000 at an interest rate of 4.00% with maturity on March 28, 2021	401,410	-	101,059	300,351
Aprl Investments, 06/20/2016, for the amount of \$700,000 at an interest rate of 5.00% with maturity on June 20, 2021	635,151	-	58,670	576,481
Mayan Capital, 10/31/2016, for the amount of \$185,000 at an interest rate of 6.00% with maturity on March 01, 2020.	136,898	-	55,759	81,139
Rositas Taste of the Valley, 02/06/2017, for the amount of \$62,0000 at an interest rate of 5% with maturity on February 06, 2022.	55,538	-	10,542	44,996
Maria Herrera DBA Comala, 05/15/2017, for the amount of \$20,000 at an interest rate of 5.00% with maturity on May 15, 2022.	18,954	-	2,941	16,013
Trancasa, 02/15/18, for the amount of \$600,000 at an interest rate of 6.00% with maturity on March 15, 2026.	600,000	-	-	600,000
Big River Brewery, 05/27/2018, for the amount of \$180,000 at an interest rate of 6.00% with maturity on April 27, 2021.	180,000	-	5,762	174,238
Totals	<u>\$ 2,337,497</u>	<u>\$ -</u>	<u>\$ 248,159</u>	<u>\$ 2,089,338</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

C. Payables

Payables for the City at September 30, 2018, were as follows:

	Governmental Activities	Business-Type Activities					
	Governmental	Utility	Event Center	Bridge	Golf	Business- Type Total	Total
Vendors	\$ 2,928,628	\$ 886,542	\$ 50,569	\$ 938,054	\$ 41,840	\$ 1,917,005	\$ 4,845,633
Salaries & benefits	1,331,252	-	-	-	-	-	1,331,252
Retainage fees	252,174	124,020	-	-	-	124,020	376,194
Accrued interest	158,757	115,661	-	31,683	-	147,344	306,101
Intergovernmental	593,201	-	-	-	-	-	593,201
Contingent Liability	300,000	-	-	-	-	-	300,000
Total payables	<u>\$ 5,564,011</u>	<u>\$ 1,126,222</u>	<u>\$ 50,569</u>	<u>\$ 969,737</u>	<u>\$ 41,840</u>	<u>\$ 2,188,369</u>	<u>\$ 7,752,380</u>

D. Escrows

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unearned revenue were mainly Escrow Liability Accounts which are comprised of the following:

	<u>As of September 30, 2018</u>
Water and Sewer	\$ 189,885
Police	347,384
Media	46,273
Court	247,026
Fire	107,957
Public Works	88,922
Recreation	72,068
Subdivisions and Improvements	1,117,158
Construction	335,117
Other	87,912
Total Escrows	<u>\$ 2,639,702</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

E. Interfund Balances

The City reports interfund balances between many of its funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net assets/balance sheets for governmental and enterprise funds. The interfund balances are operational and short-term in nature. Interfund balances at September 30, 2018 consisted of the following:

General Fund		PURPOSE
DUE FROM:		
PEDC	\$ 288,225	To advance funds for Economic Development projects and payroll
Assets Sharing	85,466	To advance funds for expenditures
City Garage	19,988	To advance funds for expenditures
CDBG	174,884	To advance funds for expenditures
Grant Fund	233,149	To advance funds for expenditures
CIP	1,213,019	To advance funds for expenditures
	2,014,731	
Enterprise Funds:		
Event Center	4,753	To advance funds for payroll expenditures
Bridge	12,152	To advance funds for payroll expenditures
Golf	3,469	To advance funds for payroll expenditures
	35,553	
Total GF	2,050,284	
General Capital Improvements		PURPOSE
Grants	140,744	To advance funds for capital expenditure
Total GCIP	140,744	
Grand Total	\$ 2,191,028	

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

F. Capital Assets

Capital asset activity for the year ended September 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Primary Government					
Governmental Activities:					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 7,957,449	\$ 4,518,823	\$ -	\$ -	\$ 12,476,272
Construction in Progress	16,702,845	13,415,811	4,894,768	-	25,223,888
Total capital assets, not being depreciated	24,660,294	17,934,634	4,894,768	-	37,700,160
<i>Capital assets, being depreciated:</i>					
Buildings	36,274,794	4,726,943	-	-	41,001,737
Machinery and equipment	25,732,092	2,734,766	-	-	28,466,858
Improvements other than buildings	11,365,793	167,827	-	-	11,533,620
Infrastructure	84,552,548	2,169,525	-	-	86,722,073
Total capital assets, being depreciated	157,925,227	9,799,061	-	-	167,724,288
Less accumulated depreciation for:					
Buildings	12,577,769	829,674	-	-	13,407,443
Machinery and equipment	18,522,788	2,062,722	-	-	20,585,510
Improvements other than buildings	3,880,140	451,764	-	-	4,331,904
Infrastructure	52,984,974	634,687	-	-	53,619,661
Total accumulated depreciation	87,965,671	3,978,847	-	-	91,944,518
Total capital assets, being depreciated, net	69,959,556	5,820,214	-	-	75,779,770
	<u>\$ 94,619,850</u>	<u>\$ 23,754,848</u>	<u>\$ 4,894,768</u>	<u>\$ -</u>	<u>\$ 113,479,930</u>
Component Unit-Blended PEDC					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 369,154	\$ 4,488,952	\$ -	\$ -	\$ 4,858,106
Total capital assets, not being depreciated	369,154	4,488,952	-	-	4,858,106
<i>Capital assets, being depreciated:</i>					
Buildings	747,170	-	-	-	747,170
Improvement other than buildings	831,713	53,510	-	(11,556)	873,667
Machinery and equipment	144,340	-	-	-	144,340
Total capital assets, being depreciated	1,723,223	53,510	-	(11,556)	1,765,177
Less Accumulated Depreciation					
Buildings	377,757	28,089	-	-	405,846
Improvement other than buildings	218,156	56,256	-	-	274,412
Machinery and equipment	114,370	10,283	-	-	124,653
Total Accumulated Depreciation	710,283	94,628	-	-	804,911
Total Capital assets, being depreciated, net	1,012,940	(41,118)	-	(11,556)	960,266
Governmental activities capital assets, net	<u>\$ 1,382,094</u>	<u>\$ 4,447,834</u>	<u>\$ -</u>	<u>\$ (11,556)</u>	<u>\$ 5,818,372</u>
	<u>\$ 96,001,944</u>	<u>\$ 28,202,682</u>	<u>\$ 4,894,768</u>	<u>\$ (11,556)</u>	<u>\$ 119,298,302</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

Business-Type Activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<i>Capital assets, not being depreciated:</i>					
Water Rights	\$ 3,450,000	\$ -	\$ -	\$ -	\$ 3,450,000
Land and right of way	3,441,248	-	22,800	-	3,418,448
Construction in Progress	12,691,154	5,399,608	11,364,129	(17,317)	6,709,316
Total capital assets, not being depreciated	19,582,402	5,399,608	11,386,929	(17,317)	13,577,764
<i>Capital assets, being depreciated:</i>					
Buildings	32,502,500	-	-	-	32,502,500
Machinery and equipment	15,500,498	2,981,934	-	2,777	18,485,209
Improvements other than buildings	6,060,204	56,590	-	-	6,116,794
Infrastructure	138,367,627	14,139,992	-	(96,503)	152,411,116
Total capital assets, being depreciated	192,430,829	17,178,516	-	(93,726)	209,515,619
Less accumulated depreciation for:					
Buildings	16,850,684	726,596	-	-	17,577,280
Machinery and equipment	13,158,889	452,998	-	(9,678)	13,602,209
Improvements other than buildings	2,941,378	314,034	-	-	3,255,412
Infrastructure	38,974,834	4,200,839	-	12,453	43,188,126
Total accumulated depreciation	71,925,785	5,694,467	-	2,775	77,623,027
Total capital assets, being depreciated, net	120,505,044	11,484,049	-	(96,501)	131,892,592
Business-Type activities capital assets, net	140,087,446	16,883,657	11,386,929	(113,818)	145,470,356
Total Primary Government	\$ 234,707,296	\$ 40,638,505	\$ 16,281,697	\$ (113,818)	\$ 258,950,286
Component Unit-Discrete PHFC					
<i>PHFC Capital assets, not being depreciated:</i>					
Land and right of way	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
Construction in progress	23,241,816	3,260,742	-	-	-
Total capital assets, not being depreciated	24,741,816	3,260,742	-	-	1,500,000
<i>PHFC Capital assets, being depreciated:</i>					
Buildings	-	-	-	-	26,502,558
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	136,732	16,951	-	-	153,683
Total capital assets, being depreciated	136,732	16,951	-	-	26,656,241
Less Accumulated Depreciation					
Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	-	15,515	-	6,911	22,426
Total Accumulated Depreciation	-	15,515	-	6,911	22,426
Total Capital assets, being depreciated, net	136,732	1,436	-	(6,911)	131,257
Component Unit-Discrete capital assets, net	26,260,642	7,725,527	-	(11,556)	33,974,613
City-Wide capital assets, net	\$ 260,967,938	\$ 48,364,032	\$ 16,281,697	\$ (125,374)	\$ 292,924,899

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities

General Government	\$ 690,466
Public Safety	1,590,057
Highway & Streets	933,956
Sanitation	162,437
Culture & Recreation	531,944
Economic Development	164,615
Total Governmental Activities	<u>\$ 4,073,475</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2018:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Refunding Bonds Payable	\$ 5,795,000	\$ -	\$ 1,710,000	\$ 4,085,000	\$ 1,295,000
Certificates of Obligation	19,345,000	17,240,000	3,150,000	33,435,000	870,000
Unamortized Premium/(Discount)	1,092,001	2,297,189	281,057	3,108,133	281,057
Capital Leases	6,544,924	2,438,700	1,614,503	7,369,121	1,663,511
Capital Leases-Garage	26,050	-	-	26,050	7,656
CDBG Section 108 Note Payable	4,130,000	-	295,000	3,835,000	295,000
Tax Notes Series 2017	-	7,300,000	689,391	6,610,609	943,717
LSNB Note Payable-City	10,010,083	2,841,028	4,595,484	8,255,627	857,386
Other Post Employment Benefits*	948,524	174,604	-	1,123,128	-
Accrued Compensated Absences-PEDC	72,250	72,795	52,395	92,650	23,162
Accrued Compensated Absences	5,364,534	2,640,710	3,094,266	4,910,978	1,227,745
Accrued Compensated Absences -Garage	46,447	-	-	46,447	11,612
Net Pension Liability-GASB 68	11,299,027	-	4,539,470	6,759,557	-
Total Governmental Activities	64,673,840	35,005,026	20,021,566	79,657,300	7,475,846

* Prior Period Adjusted

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	(195,120)	-	(48,780)	(146,340)	(48,780)
	<u>(195,120)</u>	<u>-</u>	<u>(48,780)</u>	<u>(146,340)</u>	<u>(48,780)</u>

Business-Type

Revenue Bonds Payable	24,680,000	-	1,663,000	23,017,000	1,699,000
Refunding Revenue Bonds Payable	19,980,000	-	1,900,000	18,080,000	2,010,000
Unamortized Premium/(Discount)	3,738,223	-	430,521	3,307,702	430,521
Capital Leases	1,894,520	2,628,100	690,775	3,831,845	767,990
Accrued Compensated Absences	1,088,487	487,767	841,570	734,684	183,671
Total Business-Type Activities	51,381,230	3,115,867	5,525,866	48,971,231	5,091,182

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	(335,730)	65,863	-	(269,867)	(65,863)
	<u>(335,730)</u>	<u>65,863</u>	<u>-</u>	<u>(269,867)</u>	<u>(65,863)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

Long-term bonded and revenue supported obligations outstanding at September 30, 2018 is comprised of the following:

	Original		Series	Type	Name	Payment	Installments		Interest Rates		Payment	Current
	Issuance						Installments	Lowest	Highest	Lowest		
Governmental Activities	\$	9,120,000	2015B	Refunding Bonds	GO	Annual	\$ 905,000	\$ 1,535,000	3.75%	5.00%	8/15/2021	\$ 4,085,000
	Subtotal-Refunding Bonds											\$ 4,085,000
	\$	7,625,000	2012	Certificate of Obligation	CO	Annual	\$ 295,000	\$ 535,000	0.60%	4.98%	8/15/2032	\$ 4,735,000
	\$	14,290,000	2016	Certificate of Obligation	CO	Annual	\$ 190,000	\$ 1,035,000	1.13%	3.60%	2/15/2036	\$ 14,100,000
	\$	17,240,000	2017	Certificate of Obligation	CO	Annual	\$ 355,000	\$ 2,640,000	1.45%	2.79%	8/15/2031	\$ 14,600,000
	Subtotal-Certificate of Obligation											\$ 33,435,000
	\$	7,300,000	2017	Tax Notes	TN	Monthly	\$ 941,000	\$ 1,167,000	4.25%	4.25%	12/1/2024	\$ 6,608,757
	Subtotal-Tax Notes											\$ 6,608,757
	\$	5,600,000	2017	HUD Section 108 Loan	HUD 108	Annual	\$ 294,000	\$ 295,000	1.28%	1.73%	8/15/2031	\$ 3,835,000
	Subtotal-Section 108 Laon											\$ 3,835,000
Governmental Total											\$ 47,963,757	
Governmental Total											\$ 47,963,757	
Business-Type Activities	\$	13,310,000	2007A	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 380,000	\$ 1,075,000	2.35%	3.50%	9/1/2027	\$ 8,660,000
	\$	10,000,000	2007B	Revenue Bonds-NADBANK	WW & SS	Annual	\$ 385,000	\$ 685,000	3.75%	3.75%	9/1/2027	\$ 5,360,000
	\$	8,725,000	2013	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 255,000	\$ 400,000	0.00%	2.71%	91/1/2042	\$ 7,450,000
	\$	1,762,000	2015	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 72,000	\$ 117,000	0.59%	4.10%	9/1/2035	\$ 1,547,000
	Subtotal-Revenue Bonds											\$ 23,017,000
	\$	9,755,000	2005A	Refunding Bonds	CT & IBR	Annual	\$ 510,000	\$ 740,000	3.63%	4.50%	8/15/2022	\$ 2,640,000
	\$	18,000,000	2017	Refunding Bonds	WW & SS	Annual	\$ 1,220,000	\$ 2,160,000	3.29%	3.62%	8/15/2028	\$ 15,440,000
	\$	6,430,000	2008	Refunding Bonds	WW & SS	Annual	\$ 75,000	\$ 815,000	3.60%	3.60%	9/1/2018	\$ -
	Subtotal-Refunding Bonds											\$ 18,080,000
	Business-Type Total											\$ 41,097,000

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

1. Bonds Payable

Debt service requirements of bonds payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 2,165,000	\$ 2,858,616	\$ 5,023,616	\$ 3,709,000	\$ 1,387,034	\$ 5,096,034
2020	2,250,000	2,776,955	5,026,955	3,805,000	1,301,070	5,106,070
2021	2,330,000	2,638,595	4,968,595	3,931,000	1,166,511	5,097,511
2022	1,500,000	2,550,508	4,050,508	4,078,000	1,032,444	5,110,444
2023	1,720,000	2,443,312	4,163,312	3,485,000	898,969	4,383,969
2024-2029	9,615,000	9,802,292	19,417,292	16,564,000	2,267,235	18,831,235
2030-2035	10,220,000	5,355,323	15,575,323	2,035,000	534,429	2,569,429
2036-2041	7,720,000	940,500	8,660,500	3,490,000	447,363	3,937,363
	<u>\$ 37,520,000</u>	<u>\$ 29,366,101</u>	<u>\$ 66,886,101</u>	<u>\$ 41,097,000</u>	<u>\$ 9,035,054</u>	<u>\$ 50,132,054</u>

2. Certificates of Obligation Payable

Debt service requirements of certificates of obligation payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 870,000	\$ 1,413,163	\$ 3,578,451
2020	890,000	1,385,203	3,546,561
2021	900,000	1,355,422	3,501,790
2022	1,500,000	1,322,244	4,040,823
2023	1,720,000	1,278,658	4,179,544
2024-2029	9,615,000	5,335,321	20,242,493
2030-2035	10,220,000	3,115,034	13,335,034
2036-2041	7,720,000	818,025	8,538,025
	<u>\$ 33,435,000</u>	<u>\$ 16,023,070</u>	<u>\$ 60,962,720</u>

3. Tax Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 941,865	\$ 266,251	\$ 1,255,932
2020	982,627	225,490	1,245,354
2021	1,026,449	181,667	1,233,907
2022	1,071,563	136,553	1,233,907
2023	1,118,660	89,456	1,221,438
2024	1,167,708	40,408	2,026,141
2025	301,737	2,150	303,887
	<u>\$ 6,610,609</u>	<u>\$ 941,975</u>	<u>\$ 8,520,565</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

4. Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,152,386	\$ 446,372	\$ 1,598,758
2020	4,248,248	347,708	4,595,956
2021	1,219,056	301,652	1,520,708
2022	2,815,937	91,627	2,907,564
2023	295,000	83,662	378,662
2024-2029	1,475,000	286,445	1,761,445
2030-2035	885,000	60,062	945,062
	<u>\$ 12,090,627</u>	<u>\$ 1,617,528</u>	<u>\$ 13,708,155</u>

5. Capital Leases Payable

Assets purchased with the lease funds are included in the City's capital assets and depreciation expense. Debt service requirements of capital leases obligations at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,671,167	\$ 188,233	\$ 1,859,400	\$ 775,781	\$ 87,398	\$ 863,179
2020	1,511,355	150,253	1,661,608	793,957	69,222	863,179
2021	1,141,143	115,720	1,256,863	807,180	50,632	857,812
2022	810,639	89,869	900,508	563,627	32,985	596,612
2023	569,064	69,806	638,870	378,437	21,506	399,943
2024-2027	1,691,803	82,507	1,774,310	512,864	9,881	522,745
	<u>\$ 7,395,171</u>	<u>\$ 696,388</u>	<u>\$ 8,091,559</u>	<u>\$ 3,831,846</u>	<u>\$ 271,624</u>	<u>\$ 4,103,470</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

6. Notes Payable

Long-term notes payable outstanding at September 30, 2018 is comprised of the following:

Name	Payment Installments	Installments		Interest Rates		Payment Through	Current Balance
		Lowest	Highest	Lowest	Highest		
CDBG HUD Section 108	Annual	\$ 294,000	\$ 295,000	0.49%	1.73%	8/1/2031	\$ 3,835,000
					Subtotal-City of Pharr Governmental		\$ 3,835,000
LSNB-Line of Credit	Annual	\$ -	\$ 5,000,000	3.50%	3.50%		\$ 3,046,331
LSNB-Jackson Development	Annual	\$ 669,100	\$ 669,100	4.50%	4.50%	11/15/2019	\$ 5,209,296
						Subtotal-PEDC	\$ 8,255,627
						Governmental Total	<u><u>\$ 12,090,627</u></u>

Debt service requirements of notes payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,152,386	\$ 446,372	\$ 1,598,758
2020	4,248,248	347,708	4,595,956
2021	1,219,055	301,652	1,520,708
2022	2,815,937	91,627	2,907,564
2023	295,000	83,662	378,662
2024-2029	1,475,000	286,445	1,761,445
2030-2035	885,000	60,062	945,062
	<u>\$ 12,090,627</u>	<u>\$ 1,617,528</u>	<u>\$ 13,708,155</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

7. Debt Disclosure and Currently Defeased Debt

The City has entered into a continuing disclosure undertaking to provide Annual Reports and Material Events Notices to the State Information Depository of Texas, which is the Municipal Advisory Commission. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the City. In 2005, 2008 and 2011 the City defeased certain outstanding general obligation, certificates of obligation, and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust accounts for the defeased bonds and are not included in the City's financial statements. At September 30, 2018, the following outstanding bonds are considered defeased:

General Obligation Bonds		
Interest rates:	5.00% - 5.53%	
Series	2003	\$ 4,470,000
Waterworks & Sewer System Revenue Bonds		
Interest rates:	4.15% - 6.74%	
Series	1996 through 1998a	1,073,000
Bonds legally defeased		<u><u>\$ 5,543,000</u></u>

8. Accrued Compensated Absences

Accrued compensated absences (vested sick and vacation leave) are payable from the fund responsible for the employee's compensation. As of September 30, 2018, the owning fund of the liability is as follows:

<u>Owning Fund of Liability</u>	<u>Amount</u>
General	\$ 4,914,293
PEDC 4B	92,650
Community Development	8,373
Garage	34,759
Utility	422,603
Event Center	58,927
Bridge	174,981
Golf	78,173
	<u><u>\$ 5,784,759</u></u>

9. Arbitrage

The City has issued long-term debt for capital construction projects. These bonds are subject to the arbitrage regulations. Arbitrage regulations call for the return of the difference in interest revenue against interest expense. At September 30, 2018, there was no liability of arbitrage that would have been owed to the federal government

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers

The City reports interfund transfers between many of its funds. Interfund transfers for the year ended September 30, 2018, consisted of the following:

	TRANSFER FROM Governmental Funds							
	General	PEDC	Asset Sharing	Hotel/ Motel	Grants	CIP	Paving & Drainage	Total Governmental
General	\$ -	\$ 495,000	\$ 367,000	\$ 60,000	\$ -	\$ -	\$ -	\$ 922,000
Capital Projects	19,389,979	-	-	350,000	477,543	-	850,000	21,067,522
PEDC 4B	1,161,100	-	-	68,400	-	-	-	1,229,500
Community Development	818,572	-	-	-	-	-	-	818,572
Debt Service	626,700	1,202,200	-	-	-	-	-	1,828,900
Total governmental	21,996,351	1,697,200	367,000	478,400	477,543	-	850,000	25,866,494
Event Center	-	-	-	398,600	-	-	-	398,600
Bridge	-	-	-	-	-	520,000	-	520,000
Golf	439,200	-	-	-	-	-	-	439,200
Total enterprise	439,200	-	-	398,600	-	520,000	-	1,357,800
Total	\$ 22,435,551	\$ 1,697,200	\$ 367,000	\$ 877,000	\$ 477,543	\$ 520,000	\$ 850,000	\$ 27,224,294

The reasons for the transfers vary from operational, to reimbursements, to debt service payment supplements. The following details state the exact purpose of the transfers.

The transfers on this page are related to Governmental transactions.

General Fund:

- The Transfer from general fund to capital projects is from Series 2017 Bond proceeds for CIP Projects.
- The Transfer from general fund to PEDC is to pay debt service related to loan with LSNB for the Jackson Development AKA Costco.
- The transfer from General Fund to Community Development is to cover administrative costs not covered by CDBG funds and to cover for unallowable costs found by a compliance audit conducted by HUD during FY 2017.2018.
- The Transfer from General Fund to debt service is to cover for debt service payment of associated with Envirolite city-wide project and to contribute a payment to Series 2012.

PEDC:

- The transfer from PEDC to general fund is to pay for the management administrative fee per inter-local agreement.
- The transfer from PEDC to Debt Service is to cover for Certificates of Obligation 2012 and part of 2015B.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers - (continued)

Other:

- The transfer from CDBG to capital projects is to reimburse expenses related to Jones Box Park.
- The transfer from Hotel Funds to PEDC is to reimburse for tourism manager position
- The transfer from Hotel Funds to CIP is to cover for a portion of debt service payment for Tax Notes Series 2017.
- The transfer from Hotel Funds to General Fund is to contribute to City Festivals throughout the year.
- The transfer from grants to capital projects is to reimburse expenses for research and development center from EDA grant.

		TRANSFER FROM Enterprise Funds			
		Utility	Bridge	Total Enterprise	Grand Total
TRANSFER TO	General	\$ 565,500	\$ 6,539,200	\$ 7,104,700	\$ 8,026,700
	Capital Projects	-	-	-	21,067,522
	PEDC 4B	-	-	-	1,229,500
	Community Development	-	-	-	818,572
	Debt Service	-	2,698,327	2,698,327	4,527,227
	Total governmental	565,500	9,237,527	9,803,027	35,669,521
	Event Center	-	-	-	398,600
	Bridge	-	-	-	520,000
	Golf	-	-	-	439,200
	Total enterprise	-	-	-	1,357,800
Total		\$ 565,500	\$ 9,237,527	\$ 9,803,027	\$ 37,027,321

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers - (continued)

Enterprise Funds:

- The transfer from Utility to general fund is to pay annual service fees for administrative services
- The transfer from Bridge to the General Fund is for the following:

Purpose	<u>FY 17/18</u>
GF Operations	\$ 4,438,900
Golf Operations	439,200
Jackson Development Debt	1,161,100
Help Support Tax Debt	2,698,327
Incentives	500,000
Total	\$ 9,237,527

I. Restricted Assets

The balances of restricted asset as of September 30, 2018 are as follows:

Governmental Funds

Capital Outlay	\$ 2,163,114
Capital Improvement Projects	20,157,080
Grant Receivables	<u>399,539</u>
Total restricted assets-governmental funds	22,719,733

Business-Type Funds

Capital financing-Utility	9,613,105
Capital financing-Bridge	1,280,462
Capital financing-Golf	335,731
Customer deposits-Utility	463,853
Debt reserves-Utility	3,203,191
Debt reserves-Bridge	<u>148,659</u>
Total restricted assets-business-type funds	<u>\$ 15,045,001</u>

Total restricted assets **\$ 37,764,734**

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees (workman's compensation), and natural disasters. During the fiscal year, the City obtained general liability coverage at a cost that is economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years. A copy of TML's Comprehensive Annual Report may be obtained by request at the following address:

Texas Municipal League
1821 Rutherford Lane, Suite 400
Austin, TX 78754-5128

1. Health Care Coverage

As of January 2017, the City transitioned from fully funded to self/partially funded. Health provider is now United Health Care with Lone Star Insurance services as an agent of record. The City now funds its claims on a monthly basis through a separate bank account managed through the agent. The City pays for 100% of the employees' insurance cost and 50% of the employee's dependent's insurance cost with the following plans:

Basic Plan

Coverage Type	Monthly Cost to Employee	Monthly Cost to City	Total Monthly Cost
Employee Only	\$ -	\$ 146.12	\$ 146.12
Employee and Spouse	\$ 206.08	\$ 146.12	\$ 352.20
Employee and Child(ren)	\$ 189.28	\$ 146.12	\$ 335.40
Employee and Family	\$ 408.28	\$ 146.12	\$ 554.40

Buy-Up Plan

Coverage Type	Monthly Cost to Employee	Monthly Cost to City	Total Monthly Cost
Employee Only	\$ 16.97	\$ 146.12	\$ 163.09
Employee and Spouse	\$ 239.62	\$ 146.12	\$ 385.74
Employee and Child(ren)	\$ 221.42	\$ 146.12	\$ 367.54
Employee and Family	\$ 458.05	\$ 146.12	\$ 604.17

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

For more detailed information about United HealthCare please contact:

United Healthcare
2000 West Loop South, Suite 900
Houston, TX 77027

2. Post-Retirement Health Care Benefits

The City provides certain health care and life insurance benefits, under City ordinance, for:

- A. A retired person and their dependents covered under the City of Pharr's health insurance plan, prior to January 1, 2009, shall be entitled to continued coverage at the municipality's expense not to exceed \$275 per month for the retiree, and fifty percent of the cost of coverage for the dependent or \$225 whichever is less. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's and dependent's health insurance. The municipality will only pay for the cost of the retiree's Medicare Advantage Plan coverage.
- B. Any person employed with the City of Pharr, prior to January 1, 2009, that has been employed for not less than twenty (20) years with any municipality in the State of Texas that participates in the Texas Municipal Retirement System, that was employed with the City of Pharr for not less than ten (10) years, and reaches the age of fifty (50), shall be eligible upon retirement to receive continued health coverage at the expense of the municipality not to exceed \$275 per month. A dependent of an eligible retired person under the subsection shall not receive continued coverage at the expense of the municipality. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's health coverage.
- C. A person that becomes employed with the City of Pharr, after January 1, 2009, shall not be eligible for any health insurance coverage at the expense of the municipality upon retirement. A dependent of an employee under this subsection shall not receive health insurance coverage at the expense of the municipality upon retirement.

Currently, approximately 46 retirees meet these eligibility requirements. The City pays 80% of the number of validated claims for qualified medical and hospitalization costs incurred, after the retiree meets a deductible ranging from \$1,000 per individual to \$2,000 per family for In-Network coverage. The maximum out-of-pocket costs that can be incurred by a retiree in one-year ranges from, \$1,500 per individual to \$3,000 per family.

B. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the property of the beneficiary. General inflation is assumed to be 2.50% per year with an Investment return and assumption of 6.75% per year, compounded annually, composed on an assumed 2.5% inflation rate and a 4.25% net real rate of return.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

C. Pension Plan

1. Plan Description

The City of Pharr participates as of the 872 plans in the nontraditional, joint contributory, hybrid pension plan administered by the TMRS Act, Subtitle G, Title 8, Texas Government Code (The TMRS Act) as an agent of multi-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available Comprehensive Annual Financial Report (CAFR) that can be obtained at www.TMRS.com.

All eligible employees of the City are required to participate in TMRS

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the Governing Body of the City, within options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in the amount equal to 12, 24 or 36 payments, which cannot exceed 75% of the member's deposits and interest.

	Plan Year 2017	Plan Year 2018
Employee deposit rate	8.14%	8.14%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (express as age/years of service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	0%	0%
Annuity Increase (to retirees)	0% of CPI	0% of CPI

Employee Covered by Benefits Terms.

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefits terms:

Inactive beneficiaries currently receiving benefits	208
Inactive employees entitled to but not yet receiving benefits	159
Active employees	573
Total	940

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

C. Pension Plan-(continued)

3. Contributions

The contribution rates for employees of TMRS are either 5%, 6% or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200% as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Pharr were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Pharr were 8.14% in calendar years for both; 2017 and 2018.

The City's contributions to TMRS for the year ended September 30, 2018 were \$4,281,490.

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Pension Cost:			
Annual Required Contribution	\$ 4,281,490	\$ 4,381,490	\$ 3,425,167
Contributions Made	<u>4,281,490</u>	<u>4,381,490</u>	<u>3,425,167</u>
Net Pension Obligation	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions

Inflation	2.5 % per Year
Overall payroll growth	3.5% to 10.5% including inflation
Investment rate of return	6.75%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males' rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Actuarial assumptions used in the December 31, 2017, valuation was based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in Net Pension Liability

At September 30, 2018, the City reported a liability of **\$6,759,555.**

The Net Pension Liability is based on an actuarial valuation performed as of December 31, 2017 and a measurement date of December 31, 2017; as such no roll-forward was required.

For the purpose of this valuation, a single discount rate of 6.75% was used to measure the total pension liability as of December 31, 2017. This single discount rate was based on the expected rate of return on pension plan investment of 6.75%. Based on the stated assumptions and the projection of cash flow, the City's fiduciary net position and future contributions were enough to finance the future benefit payments of the current plan members for all projection years. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability for the City. The projection of cash flows used to determine the single discount rate for the City assumed that the funding policy adopted by the TMRS Board will remain in effect for all future years. Under this funding policy, the City will finance the unfunded actuarial accrued liability over the years remaining for the closed period existing for each base in addition to the employer portion of all future benefit accruals.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Changes in Net Pension Liability-(continued)

The change in the City's net pension liability for TMRS pension for the fiscal year ended September 30, 2018 is as follows:

A	Total Pension Liability	
1	Total Service Cost	\$ 3,320,128
2	Interest on the Total Pension Liability	5,161,419
3	Current Period Benefit Changes	-
4	Difference between expected and actual experience	67,791
5	Changes of Assumptions	-
6	Benefit Payments, including refunds of employee contributions	(3,736,864)
7	Net change in total pension liability	4,812,474
8	Total pension liability-beginning	76,673,830
9	Total pension liability-ending	<u>81,486,304</u>
B	Plan fiduciary net position	
1	Contributions-employer	2,174,506
2	Contributions-employee	1,903,877
3	Net Investment income	9,059,762
4	Benefit payments, including refunds of employee contributions	(3,736,864)
5	Administrative Expense	(46,957)
6	Other	(2,380)
7	Net change in plan fiduciary net position	9,351,944
8	Plan fiduciary net position-beginning	65,374,805
9	Plan fiduciary net position-ending	<u>\$ 74,726,749</u>
C	Net Pension Liability (A9-B9)	<u>\$ 6,759,555</u>
D	Plan fiduciary net position as a percentage of the total pension liability (B9/A9)	91.70%
E	Covered-employee Payroll	27,147,409
F	Net Pension liability as a percentage of covered employee payroll (C/E)	24.90%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Sensitivity of the Net Position liability changes in discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
City's Net Pension Liability	\$ 19,056,335	\$ 6,759,555	\$ (3,291,030)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

For the year ended September 30, 2018, the City recognized a pension expense of **\$2,662,740.**

Schedule of Pension Expense

1 Total Service Cost	\$ 3,320,128
2 Interest on the Total Pension Liability	5,161,419
3 Current Period Benefit Changes	-
4 Employee Contributions (reduction of Expenses)	(1,903,877)
5 Projected Earnings on Plan Investments (Reduction of Expense)	(4,412,799)
6 Administrative Expense	46,957
7 Other Changes in Fiduciary Net Position	2,380
8 Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	10,527
9 Recognition of Current Year Outflow (Inflow) of Resources-Assets	(929,393)
10 Amortization of Prior Year Outflows (Inflows) of Resources-Liabilities	378,120
11 Amortization of Prior Year Outflows (Inflows) of Resources-Assets	989,278
12 Total Pension Expense	<u><u>\$ 2,662,740</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions –(continued)

At September 30, 2018, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2017 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience actuarial (gains) or losses	6.4400	\$ 67,791	\$ 10,527	\$ 57,264
Difference in assumption changes actuarial (gains) or losses	6.4400	\$ -	\$ -	\$ -
			<u>\$ 10,527</u>	\$ 57,264
<u>Due to Assets:</u>				
Difference in projected and actual earnings on pension plan investments actuarial (gains) or losses	5.0000	\$ (4,646,963)	\$ (929,393)	\$ (3,717,570)
			<u>\$ (929,393)</u>	\$ (3,717,570)
<u>Total:</u>				<u>\$ (3,660,306)</u>

3. Pension Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions-(continued)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

	Net deferred outflows (Inflows) of resources
2018	\$ 448,534
2019	301,107
2020	(536,450)
2021	(776,142)
2022	(14,815)
Thereafter	4,629
Total	<u>\$ (573,137)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

D. Other Post Employment Benefit (OPEB) Programs

1. Plan Description

Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered another postemployment benefit ("OPEB") and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is an unfunded OPEB plan (i.e. no assets are accumulated).

The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

GASB 75 requires employers to recognize the total OPEB liability and the OPEB expense on their financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

In the year of implementation, the employer should make a prior period adjustment for the total OPEB liability as of the 12/31/2016 measurement date (provided) and record a deferred outflow of resources for contributions recorded by the city (retiree portion of SDB rate only) from December 31, 2016 to its prior fiscal year end. TMRS has elected to not calculate other deferrals as of the December 31, 2016 measurement date.

The total OPEB liability shown in this report is based on an actuarial valuation performed as of December 31, 2017 and a measurement date of December 31, 2017; as such, no roll-forward is required.

2. Supplemental Death Benefits (SDBF) Plan Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2017	0.13%	0.03%
2018	0.13%	0.03%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

3. OPEB Liability

The Other Post-Employment benefits (OPEB) was measured as of December 31, 2017, and the Total Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total OPEB Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions

Inflation	2.5 % per Year
Overall payroll growth	3.5% to 10.5% including inflation
Discount rate*	3.31%

* The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index rate" as of December 31, 2017

The change in the City's OPEB for City of Pharr for the fiscal year ended September 30, 2018 is as follows:

	<u>2017</u>
Membership	
Number of	
Inactives Employees currently receiving benefits	166
Inactives Employees entitled but not yet receiving benefits	44
Active Employees	<u>573</u>
Total	783
 Covered Payroll	 \$ 27,147,409
 Changes in the Total OPEB Liability	 \$ 948,524
Changes for the Year	
Service Cost	51,580
Interest on Total OPEB Liability	36,675
Changes of Benefits terms	-
Difference between expected and actual experience	-
Changes in assumptions or other inputs	94,497
Benefit Payments**	<u>(8,144)</u>
Net Changes	<u>174,608</u>
Total OPEB Liability-end of Year	<u>\$ 1,123,132</u>
 Total OPEB Liability as a percentage of Covered Payroll	 4.14%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

Sensitivity of the Net Position liability changes in discount rate

	1% Decrease 2.31%	Current Single Rate Assumption 3.31%	1% Increase 4.31%
Total OPEB Liability	\$ 1,367,241	\$ 1,123,132	\$ 935,162

4. OPEB Expense

For the year ended September 30, 2018, the City recognized OPEB expense of **\$100,624.**

OPEB Expense:	\$ 51,580
Service Cost	36,675
Interest on total OPEB liability	-
Changes in benefits terms	-
Employer administrative costs	-
Recognition of deferred outflows/inflows of resources:	
Difference between expected and actual experience *	-
Changes in assumptions or other inputs**	12,369
Total OPEB Expense	<u><u>\$ 100,624</u></u>

*In the year of implementation, the beginning of year liability is rolled back from the measurement date, so there will be no experience loss/ (gain)

** Generally, this will only be the annual change in the municipal bond index rate.

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At September 30, 2018, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2017 Recognized in current OPEB expense	Deferred (Inflow)/Outflow in future expense
Due to Liabilities:				
Difference in expected and actual experience actuarial (gains) or losses	7.6400	\$ -	\$ -	\$ -
Difference in assumption changes actuarial (gains) or losses	7.6400	\$ 94,497	12,369	82,128
Contributions made subsequent to measurement date				
Total (excluding city provided contributions made subsequent to meaurement date)				<u><u>\$ 82,128</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions –(continued)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in OPEB expense as follows:

	Net deferred outflows (Inflows) of resources
2018	\$ 12,369
2019	12,369
2020	12,369
2021	12,369
2022	12,369
Thereafter	20,283
Total	<u>\$ 82,128</u>

In Fiscal year 2011-2012, the City entered into a contractual agreement with First Southwest Advisory Services, Inc. (FSWA). for the administration and maintenance of cash and other assets from the City's contributions for Other Post-Employment Benefits in the form of an irrevocable trust to fund for its long-term obligation to its participants and to comply with GASB Statement No. 45.

FSWA is registered as an investment advisor with the Securities and Exchange Commission ("SEC") pursuant to the Investment Advisers Act of 1940 and acknowledges that it is a fiduciary with respect to the Trust. FSWA will notify Employer if at any time during the term of this Agreement if it is not registered or if its registration is suspended or restricted.

The balance of the trust at September 30, 2018 was \$1,631,069.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

E. Commitments

1. Grant Programs

The City participates in several federal and state assisted grant programs. Under the terms of these grants, the City is subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. If future program compliance audits result in questioned or disallowed costs, reimbursements would be made to the grantor agencies. The amounts of expenditures which might be disallowed by the grantor agencies cannot be determined at this time; however, management believes such amounts, if any, would be immaterial.

2. Litigation

The City is a defendant in various lawsuits. It is the opinion of the City's legal counsel and management there are no potential unasserted claim as of September 30, 2018.

3. Construction Commitments

The City has entered into various significant construction commitments that are currently underway. As of September 30, 2018, they are as follows:

Governmental:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>PARKS</u>				
Civic Center Renovation	\$ 31,868	\$ 456,337	\$ -	\$ 488,205
Parks Designs and Improvements	498,449	288,087	-	786,536
Jones Box Pedestrian	9,846	-	-	9,846
Newcombe	8,437	43,915	-	52,352
Dr. Long Park	46,998	642,381	-	689,379
Jones Box Park	527,492	69,705	-	597,197
Nature Park	-	1,143,225	-	1,143,225
Witten Park and Sports Complex	-	9,625	-	9,625
Baseball Dugouts	-	20,309	-	20,309
Aquatic Park Renovations	-	17,000	-	17,000
Arnold Elementary Park	-	1,301,719	-	1,301,719
Victor Garcia Skate Park	-	55,860	-	55,860
Total Parks	1,123,090	4,048,163	-	5,171,253
<u>STREETS</u>				
South Alondra	2,985	-	-	2,985
Anaya Road	41,639	288,248	-	329,887
Hi-Line	37,028	501,172	-	538,200
Owassa Road	3,182,741	49,234	-	3,231,975
Bike Path Stripping	294,413	-	-	294,413
LED Project	2,103,422	-	-	2,103,422
4 Year Repaving Program	6,701,377	2,648,326	-	9,349,703
PSJA Tri-City Pedestrian	82,191	11,413	-	93,604
Jackson Median	-	70,793	70,793	-
Railroad Crossing	-	89,515	-	89,515
Downtown Traffic Loop	-	125,937	-	125,937
West Las Milpas	-	98,610	-	98,610
Thomas Rd	-	33,698	-	33,698
Downtown Lighting	-	48,359	-	48,359
Veterans Road	-	202,614	-	202,614
St. Jude Parking Lot	-	208,612	-	208,612
Moore Road	365,368	28,466	-	393,834
Total Streets	12,811,164	4,404,997	70,793	17,145,368

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

E. Commitments-(continued)

Governmental:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>DEVELOPMENT</u>				
South Research Center	2,768,591	1,958,350	4,726,941	-
Total Development	2,768,591	1,958,350	4,726,941	-
<u>PUBLIC SAFETY</u>				
Communication Center	-	2,089,980	-	2,089,980
South Fire Station No. 4	-	774,998	-	774,998
North Fire Station No. 1	-	42,292	-	42,292
Total Public Safety	-	2,907,270	-	2,907,270
Total Governmental	\$ 16,702,845	\$ 13,318,780	\$ 4,797,734	\$ 25,223,891

Business-Type:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>UTILITY</u>				
Water Transmission	8,512,074	348,468	8,860,542	-
Rehab LBJ Water Tower	78,570	65,130	-	143,700
Waste Water Treatment Clarifier	863,220	73,115	-	936,335
Lift Station N. 25	2,064,010	1,098,690	-	3,162,700
West Oak Improvements	-	494,508	494,508	-
Manhole & Lift Station Rehabilitation	-	61,650	-	61,650
Eldora Water Tower	-	1,044,240	1,044,240	-
Lift Station No. 1	-	28,430	-	28,430
Moore Road Sewer Improvements	-	5,500	-	5,500
Relocation W & SW	442,405	-	17,320	425,085
Total Utility	11,960,279	3,219,731	10,416,610	4,763,400
<u>BRIDGE</u>				
Port of Entry Modernization	449,255	233,963	683,218	-
Northbound Lane Improvements	164,403	-	164,403	-
International Trade Center	117,218	-	117,218	-
Bridge Office Expansion	-	52,300	-	52,300
FY 15 DAP	-	633,552	-	633,552
DY 16 DAP	-	1,260,064	-	1,260,064
Total Bridge	730,876	2,179,879	964,839	1,945,916
Total Business-Type:	\$ 12,691,155	\$ 5,399,610	\$ 11,381,449	\$ 6,709,316
Grand Total	\$ 29,394,000	\$ 18,718,390	\$ 16,179,183	\$ 31,933,207

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Economic Development Commitments

The PEDC, TIRZ, and the City have the following outstanding commitments as of September 30, 2018:

<u>Program Commitment To</u>	<u>Amount Pending</u>	<u>Obligator</u>	<u>Purpose</u>	<u>Length of Time</u>
City of Pharr	varies	TIRZ	Infrastructure development	20 Years
UTRGV	\$ 2,500,000	City of Pharr	Infrastructure development	10 Years
Pharr Town Center	varies****	City of Pharr	Commercial development	10 Years
Total	<u>\$2,500,000</u>			

**City will reimburse 25% of sales tax received for 6 years plus 100% of property taxes for 10 years

***City will reimburse the difference between the previous HEB store's sales taxes and property taxes compared to their new store

****City will reimburse 25% of sales tax received for 10 years

F. Land available for sale

During FY 2011-2012, the City and PEDC entered into an agreement to buy land for economic development purposes. As of September 30, 2015, the City has a market value of \$8,867,500 in land including demolitions and infrastructure. On February 2012, the City Commission approved to contribute all land that has been purchased to the PEDC, the transfer of all land titles was completed as of September 30, 2013. Per GASB standards, land available for sale should be recorded at the lower of cost or net realizable value (NRV). The City obtained appraisals for the land on January 2017 which indicated that the land was worth \$1,565,698 less than the previous recorded value, a loss of this amount was reported on the financial statements as a special item. The balance of land available for development is recorded as Land Available for Sale in the PEDC fund. Appraisal of land will be done every two years, which began in the September 30, 2013 fiscal year.

The summary land transactions are stated on the following table:

<u>Project/Land</u>	<u>NRV Recorded 9.30.2017</u>	<u>Added/ (Removed)</u>	<u>Gain/(Loss) on Appraised Value</u>	<u>NRV Recorded 9.30.2018</u>
Jackson Development Project	\$ 6,540,000	\$ (4,926,958)	\$ (373,042)	\$ 1,240,000
Produce Park	2,327,500	(509,851)	16,851	1,834,500
Total	\$ 8,867,500	\$ (5,436,809)	\$ (356,191)	\$ 3,074,500

G. Related Party

None

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

H. New Accounting Principles

In fiscal year 2018, the City implemented GASB 75 which is summarized as follows:

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The following pronouncements were also issued by GASB but not applicable to City of Pharr as of September 30, 2018.

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 84, Fiduciary Activities
- GASB Statement No. 85, Omnibus 2017
- GASB Statement No. 86, Certain Debt Extinguishment Issues
- GASB Statement No. 87, Leases

- a. Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. If an ARO (or portions thereof) has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government is required to disclose that fact and the reasons therefor. This Statement requires similar disclosures for a government's minority shares of ARO.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

- b. Statement No. 84 objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

I. New Accounting Principles-(continued)

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

- c. Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pension and other postemployment benefits [OPEB]).

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- d. Statement No. 86 objective is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Governments that defease debt using only existing resources should provide a general description of the transaction in the notes to financial statements in the period of the defeasance. In all periods following an in-substance defeasance of debt using only existing resources, the amount of that debt that remains outstanding at period-end should be disclosed.

For governments that extinguish debt, whether through a legal extinguishment or through an in-substance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- e. Statement No. 87 objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statements are effective for reporting periods beginning after December 15, 2019.

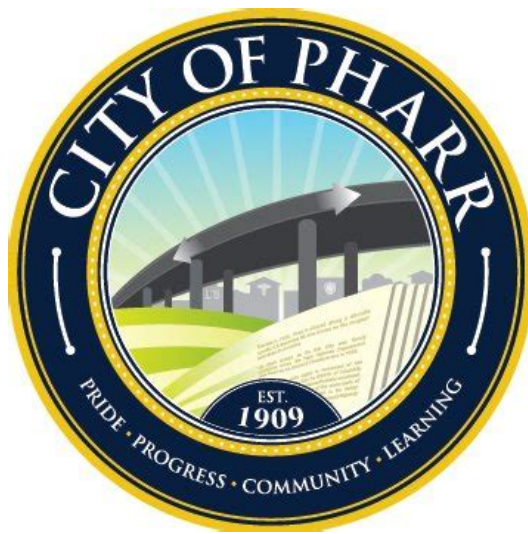
City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

J. Subsequent Events

For the purpose of reporting subsequent events, management has considered events occurring through March 12, 2019 the date the report was available to be issued, and the following are to be disclosed:

- On November 20, 2017, the City of Pharr issued Certificates of Obligations with a par value of \$16,440,000 with a premium of \$2,048,204. The purpose of this issuance is to fund capital improvement projects approved during the budget 2017-2018 process. These projects are for infrastructure, streets and public safety.
- A Budget amendment was taken to City Commission and approved on January 2019 with a net effect for the General Fund of \$439,900 of expenditures over revenues.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PHARR, TEXAS
 POST EMPLOYMENT BENEFIT PLAN
 RETIREE HEALTH INSURANCE BENEFIT PLAN
 SCHEDULE OF FUNDING PROGRESS (unaudited)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Excess of Assets Over/ (Unfunded) AAL (a-b)	Covered Payroll (c)	Unfunded AAL as Percentage of Covered Payroll ((b-a)/c)
12/31/10	\$ 41,686,353	\$ 46,768,782	89.1%	\$ 5,082,429	\$ 17,770,636	28.6%
12/31/11	\$ 45,864,221	\$ 49,965,141	91.8%	\$ 4,100,920	\$ 19,519,197	21.0%
12/31/12	\$ 49,962,459	\$ 53,717,387	93.0%	\$ 3,754,928	\$ 20,588,476	18.2%
12/31/13	\$ 54,346,139	\$ 61,820,357	87.9%	\$ 7,474,218	\$ 21,980,889	34.0%
12/31/14	\$ 58,982,997	\$ 65,909,395	89.5%	\$ 6,926,398	\$ 23,264,509	29.8%
12/31/15	\$ 62,699,607	\$ 72,524,993	86.5%	\$ 9,825,386	\$ 24,723,154	39.7%
12/31/16	\$ 66,621,323	\$ 76,673,830	86.9%	\$ 10,052,507	\$ 26,122,943	38.5%
12/31/17	\$ 71,679,826	81,486,304	88.0%	\$ 9,806,478	\$ 27,718,603	35.4%

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS

A Total Pension Liability	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1 Total Service Cost	\$ 2,377,944	\$ 2,746,650	\$ 3,146,078	\$ 3,320,128	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
2 Interest on the Total Pension Liability	4,321,502	4,587,828	4,880,163	5,161,419	XXX	XXX	XXX	XXX	XXX	XXX
3 Current Period Benefit Changes	-	-	-	-	XXX	XXX	XXX	XXX	XXX	XXX
4 Difference between expected and actual experience	(63,247)	435,455	(278,776)	67,791	XXX	XXX	XXX	XXX	XXX	XXX
5 Changes of Assumptions	-	2,330,292	-	-	XXX	XXX	XXX	XXX	XXX	XXX
6 Benefit Payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	XXX	XXX	XXX	XXX	XXX	XXX
7 Net change in total pension liability	\$ 4,089,038	\$ 6,615,598	\$ 4,148,837	\$ 4,812,474	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
8 Total pension liability-beginning	61,820,357	65,909,395	72,524,993	76,673,830	XXX	XXX	XXX	XXX	XXX	XXX
9 Total pension liability-ending	<u>\$ 65,909,395</u>	<u>\$ 72,524,993</u>	<u>\$ 76,673,830</u>	<u>\$ 81,486,304</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
B Plan fiduciary net position										
1 Contributions-employer	\$ 1,570,743	\$ 1,649,708	\$ 1,683,200	2,174,506	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
2 Contributions-employee	1,578,431	1,702,972	1,800,699	1,903,877	XXX	XXX	XXX	XXX	XXX	XXX
3 Net Investment income	3,296,861	90,733	4,148,172	9,059,762	XXX	XXX	XXX	XXX	XXX	XXX
4 Benefit payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	XXX	XXX	XXX	XXX	XXX	XXX
5 Administrative Expense	(34,419)	(55,265)	(46,857)	(46,957)	XXX	XXX	XXX	XXX	XXX	XXX
6 Other	(2,830)	(2,730)	(2,525)	(2,380)	XXX	XXX	XXX	XXX	XXX	XXX
7 Net change in plan fiduciary net position	\$ 3,861,625	\$ (99,209)	\$ 3,984,061	\$ 9,351,944	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
8 Plan fiduciary net position-beginning	57,628,328	61,489,953	61,390,744	65,374,805	XXX	XXX	XXX	XXX	XXX	XXX
9 Plan fiduciary net position-ending	<u>\$ 61,489,953</u>	<u>\$ 61,390,744</u>	<u>\$ 65,374,805</u>	<u>\$ 74,726,749</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
C Net Pension Liability (A9-B9)	<u>\$ 4,419,442</u>	<u>\$ 11,134,249</u>	<u>\$ 11,299,025</u>	<u>\$ 6,759,555</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
D Plan fiduciary net position as a percentage of the total pension liability (B9/A9)	93.29%	84.65%	85.26%	91.70%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%
E Covered-employee Payroll	\$ 22,531,464	\$ 24,328,166	\$ 25,724,265	\$ 27,417,409	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
F Net Pension liability as a percentage of covered employee payroll (C/E)	19.61%	45.77%	43.92%	24.65%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS

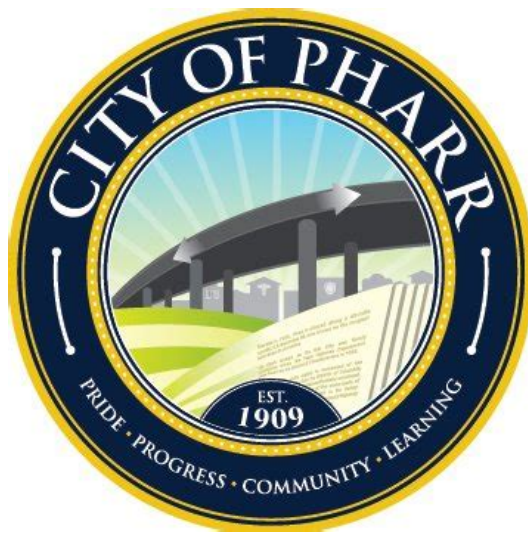
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$XXX	\$ 1,980,325	\$ 2,092,448	\$ 2,175,593	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Contributions in relation to the actuarially determined contribution	XXX	\$ 1,715,919	\$ 2,005,126	\$ 2,236,749	XXX	XXX	XXX	XXX	XXX	XXX
Contribution deficiency (excess)	XXX	\$ 264,406	\$ 87,322	\$ (61,156)	XXX	XXX	XXX	XXX	XXX	XXX
Covered employee payroll	XXX	\$ 24,723,154	\$ 26,122,943	\$ 27,147,409	XXX	XXX	XXX	XXX	XXX	XXX
Contributions as a percentage of covered employee payroll	XXX%	6.94%	7.68%	8.24%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

A Total Pension Liability	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
1 Total OPEB Liability-beginning of year	\$ 948,524	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes for the year										
Service Cost	51,580	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Interest on Total OPEB Liability	36,675	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in benefits terms	-	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Differences between expected and actual experience	-	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in assumption or other inputs	\$ 94,497	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Benefit payments**	(8,144)	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Net Changes	\$ 174,608	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Total OPEB Liability-end of year	\$ 1,123,132	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Total OPEB Liability as a percentage of Covered Payroll	4.14%									

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

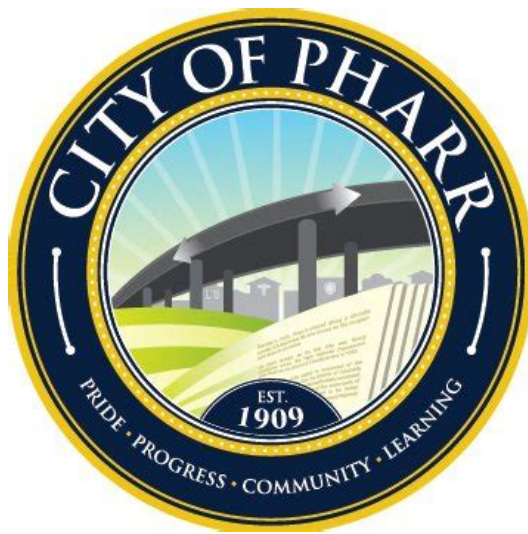


CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Property	\$	16,705,700	\$ 16,705,700	\$ 16,626,665	\$ (79,035)
Sales		12,705,000	13,187,300	14,017,135	829,835
Franchise		2,315,000	2,374,800	2,491,884	117,084
Other		190,000	269,500	162,152	(107,348)
Licenses and permits		706,100	706,100	722,697	16,597
Intergovernmental		468,900	656,900	614,666	(42,234)
Fees and charges:					
Sanitation		2,843,000	2,910,100	2,861,932	(48,168)
Brush		1,184,000	1,219,800	1,182,051	(37,749)
Other		1,399,600	1,616,800	1,473,662	(143,138)
Fines		1,550,500	1,098,100	1,067,894	(30,206)
Interest income		75,600	166,400	281,309	114,909
Other		349,200	589,200	783,544	194,344
Total revenues		<u>40,492,600</u>	<u>41,500,700</u>	<u>42,285,591</u>	<u>784,891</u>
EXPENDITURES					
Current:					
General government		12,196,800	12,385,800	11,575,564	810,236
Public safety		22,845,300	23,786,400	22,822,815	963,585
Highways and streets		4,244,700	4,242,200	4,071,112	171,088
Health and welfare		2,735,000	2,835,000	2,853,212	(18,212)
Culture and recreation		6,167,500	6,342,700	5,235,128	1,107,572
Debt service:					
Principal		1,318,200	1,318,200	1,371,606	(53,406)
Interest		103,100	103,100	97,919	5,181
Total expenditures		<u>49,610,600</u>	<u>51,013,400</u>	<u>48,027,356</u>	<u>2,986,044</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(9,118,000)</u>	<u>(9,512,700)</u>	<u>(5,741,765)</u>	<u>(2,201,153)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		11,443,800	8,021,700	8,026,700	5,000
Transfers (out)		(17,335,100)	(22,748,800)	(22,994,751)	(245,951)
Cost of Issuance		-	-	(306,385)	(306,385)
Issuance of debt		13,920,200	21,654,800	19,678,700	(1,976,100)
Premium		-	-	2,297,189	2,297,189
Total other financing sources and uses		<u>8,028,900</u>	<u>6,927,700</u>	<u>6,701,453</u>	<u>(226,247)</u>
Net change in fund balance		<u>(1,089,100)</u>	<u>(2,585,000)</u>	<u>959,688</u>	<u>(2,427,400)</u>
Fund balance - beginning		-	-	22,754,602	22,754,602
Prior period adjustment		-	-	147,907	147,907
Fund balance - ending	\$	<u>(1,089,100)</u>	<u>(2,585,000)</u>	<u>23,862,197</u>	<u>20,475,109</u>

CITY OF PHARR, TEXAS
PHARR ECONOMIC DEVELOPMENT CORPORATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Sales	\$	4,235,000	\$ 4,235,000	\$ 4,672,378	\$ 437,378
Interest income		10,000	10,000	89,135	79,135
Other		396,600	1,196,600	374,626	(821,974)
Total revenues		<u>4,641,600</u>	<u>5,441,600</u>	<u>5,136,139</u>	<u>(305,461)</u>
EXPENDITURES					
Current:					
Economic development		3,062,800	9,074,800	8,690,596	384,204
Debt service:		-			
Principal		912,200	4,112,200	4,595,485	(483,285)
Interest		873,900	873,900	378,005	495,895
Total expenditures		<u>4,848,900</u>	<u>14,060,900</u>	<u>13,664,086</u>	<u>396,814</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>(207,300)</u>	<u>(8,619,300)</u>	<u>(8,527,947)</u>	<u>(702,275)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		1,229,500	1,429,500	1,229,500	(200,000)
Transfers (out)		(6,557,200)	(2,292,200)	(1,697,200)	595,000
Proceeds from sale of assets		-	-	-	-
Issuance of debt		5,535,000	2,212,000	2,841,028	629,028
Total other financing sources					
and uses		<u>207,300</u>	<u>1,349,300</u>	<u>2,373,328</u>	<u>1,024,028</u>
SPECIAL ITEMS					
Gain/(Loss) on land available for sale valuation		-	-	(356,190)	(356,190)
Total special items		-	-	(356,190)	(356,190)
Net change in fund balance		-	(7,270,000)	(6,510,809)	321,753
Fund balance - beginning		12,869,140	12,869,140	12,869,140	-
Prior period adjustment		-	-	36,632	36,632
Fund balance - ending	\$	<u>12,869,140</u>	<u>\$ 5,599,140</u>	<u>\$ 6,394,963</u>	<u>\$ 358,385</u>



**COMBINING AND INDIVIDUAL FUND INFORMATION AND
OTHER SUPPLEMENTARY INFORMATION**

Non-Major Governmental Funds Combining Financial Statements

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Asset Sharing – This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Community Development – This fund accounts for revenue received from the Community Development Block Grant and the expenditures allowed by grant terms.

Hotel-Motel – This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over \$2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

Parkland Dedication – This fund accounts for contributions developers are required to make when creating subdivisions for park improvements or development.

Paving & Drainage – This fund accounts for restricted funds that were billed and collected from every utility account to supplement the cost of street improvements.

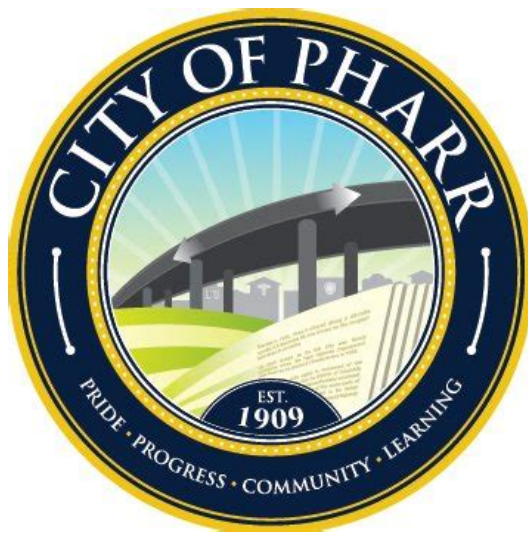
Special Revenue – This fund accounts for miscellaneous revenues for various purposes that are restricted from general use. Seven departments use this fund: Police, Fire, Court, Streets, Library, Planning & Zoning, and Non-Departmental.

Grants – This fund accounts for general grant revenues awarded to the City.

Three departments utilize this fund: Police, Fire, and Library.

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Debt Service – This fund accounts for the accumulation of resources for and the payment of General and Certificates of Obligation.



CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue Funds			
	Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Cash	\$ 547,672	\$ 1,081,202	\$ 1,265,039	\$ 244,783
Receivables (net of allowance for uncollectible):				
Property taxes	-	-	-	-
Notes	-	55,224	-	-
Accounts	-	-	-	-
Other	-	-	175,164	-
Due from other funds	-	-	-	-
Restricted assets:				
Intergovernmental receivable	-	8,091	-	-
Total assets	\$ 547,672	\$ 1,144,517	\$ 1,440,203	\$ 244,783
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 8,980	\$ 400,132	\$ 575	\$ -
Due to other funds	85,466	174,884	-	-
Unearned revenue	-	-	-	-
Total liabilities	94,446	575,016	575	-
Deferred Inflows of Resources:				
Deferred property tax	-	-	-	-
Deferred accounts	-	-	-	-
Deferred notes	-	55,224	-	-
Total deferred inflows	-	55,224	-	-
Fund balances:				
Restricted:				
General Government	-	-	-	-
Debt service	-	-	-	-
Street paving and drainage	-	-	-	-
Tourism	-	-	1,439,628	-
Public safety	453,226	-	-	-
Parkland	-	-	-	244,783
Community development	-	514,277	-	-
Economic development	-	-	-	-
Assigned:				
Capital outlay	-	-	-	-
Total fund balances	453,226	514,277	1,439,628	244,783
Total liabilities and fund balances	\$ 547,672	\$ 1,144,517	\$ 1,440,203	\$ 244,783

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

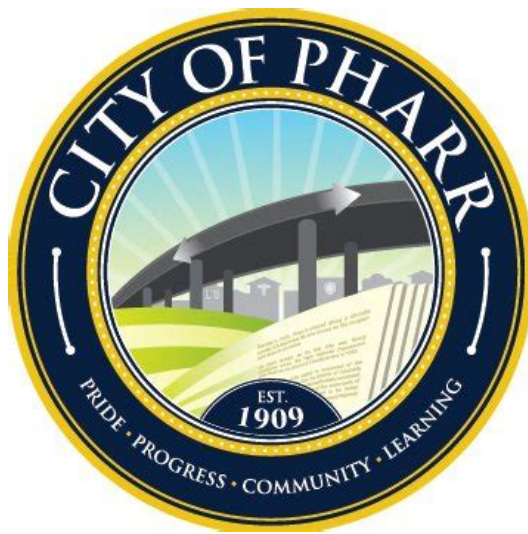
Special Revenue Funds					Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ 676,190	\$ 21,043	\$ 422,003	\$ 375,036	\$ 4,632,968	\$ 558,483	\$ 5,191,451
-	-	-	-	-	-	-
-	-	-	-	55,224	241,250	241,250
143,563	-	-	-	143,563	-	55,224
-	-	85,100	-	260,264	-	143,563
-	-	-	-	-	-	260,264
-	-	-	-	-	-	-
-	391,448	-	-	399,539	-	-
\$ <u>819,753</u>	\$ <u>412,491</u>	\$ <u>507,103</u>	\$ <u>375,036</u>	\$ <u>5,491,558</u>	\$ <u>799,733</u>	\$ <u>6,291,291</u>
\$ -	\$ 38,598	\$ -	\$ 27,000	\$ 475,285	\$ -	\$ 475,285
-	373,893	-	-	634,243	-	634,243
-	-	-	-	-	-	-
<u>-</u>	<u>412,491</u>	<u>-</u>	<u>27,000</u>	<u>1,109,528</u>	<u>-</u>	<u>1,109,528</u>
-	-	-	-	-	241,250	241,250
143,563	-	-	-	143,563	-	143,563
-	-	-	-	55,224	-	55,224
<u>143,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,787</u>	<u>241,250</u>	<u>440,037</u>
-	-	-	-	-	-	-
-	-	-	-	-	558,483	558,483
676,190	-	-	-	676,190	-	676,190
-	-	-	-	1,439,628	-	1,439,628
-	-	-	-	453,226	-	453,226
-	-	-	-	244,783	-	244,783
-	-	-	-	514,277	-	514,277
-	-	507,103	348,036	855,139	-	855,139
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>676,190</u>	<u>-</u>	<u>507,103</u>	<u>348,036</u>	<u>4,183,243</u>	<u>558,483</u>	<u>4,741,726</u>
\$ <u>819,753</u>	\$ <u>412,491</u>	\$ <u>507,103</u>	\$ <u>375,036</u>	\$ <u>5,491,558</u>	\$ <u>799,733</u>	\$ <u>6,291,291</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Special Revenue Funds				
		Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication	
REVENUES						
Taxes:						
Property	\$	-	\$	-	\$	-
Other		-	-	685,987	-	
Intergovernmental		282,724	1,224,632	-	-	
Fees and charges:						
Other		-	-	-	156,003	
Interest income		7,197	2,673	8,343	4,038	
Other		-	630	32,433	-	
Total revenues		289,921	1,227,935	726,763	160,041	
EXPENDITURES						
Current:						
General government		-	1,047,917	-	-	
Public safety		51,080	5,784	-	-	
Highways and streets		-	9,831	-	-	
Health & Welfare		-	-	-	-	
Culture and recreation		-	89,421	102,738	-	
Economic development		-	-	-	-	
Debt service:						
Principal		-	295,000	-	-	
Interest		-	117,676	-	-	
Total expenditures		51,080	1,565,629	102,738	-	
Excess (deficiency) of revenues over (under) expenditures		238,841	(337,694)	624,025	160,041	
OTHER FINANCING SOURCES (USES)						
Issuance of Debt		-	-	-	-	
Issuance of Debt-Premium		-	-	-	-	
Cost of Issuance		-	-	-	-	
Transfers in		-	818,572	-	-	
Transfers (out)		(367,000)	-	(877,000)	-	
Total other financing sources and uses		(367,000)	818,572	(877,000)	-	
Net change in fund balances		(128,159)	480,878	(252,975)	160,041	
Fund balance - beginning		579,191	33,951	1,692,603	84,742	
Prior period adjustment		2,194	(552)	-	-	
Fund balance - ending		\$ 453,226	\$ 514,277	\$ 1,439,628	\$ 244,783	

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Special Revenue Funds					Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ -	\$ -	\$ 211,500	\$ 347,700	\$ 559,200	\$ 2,458,160	\$ 3,017,360
-	-	-	-	685,987	-	685,987
-	1,535,484	-	-	3,042,840	-	3,042,840
1,044,299	-	-	-	1,200,302	-	1,200,302
19,499	-	4,213	336	46,299	-	46,299
-	-	-	-	33,063	-	33,063
<u>1,063,798</u>	<u>1,535,484</u>	<u>215,713</u>	<u>348,036</u>	<u>5,567,691</u>	<u>2,458,160</u>	<u>8,025,851</u>
-	-	-	-	1,047,917	-	1,047,917
-	850,218	-	-	907,082	-	907,082
284	-	-	-	10,115	-	10,115
-	-	-	-	-	-	-
-	207,723	-	-	399,882	-	399,882
-	-	-	-	-	-	-
-	-	-	-	295,000	5,095,242	5,390,242
-	-	-	-	117,676	1,582,301	1,699,977
<u>284</u>	<u>1,057,941</u>	<u>-</u>	<u>-</u>	<u>2,777,672</u>	<u>6,677,543</u>	<u>9,455,215</u>
<u>1,063,514</u>	<u>477,543</u>	<u>215,713</u>	<u>348,036</u>	<u>2,790,019</u>	<u>(4,219,383)</u>	<u>(1,429,364)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	818,572	4,527,227	5,345,799
<u>(850,000)</u>	<u>(477,543)</u>	<u>-</u>	<u>-</u>	<u>(2,571,543)</u>	<u>-</u>	<u>(2,571,543)</u>
<u>(850,000)</u>	<u>(477,543)</u>	<u>-</u>	<u>-</u>	<u>(1,752,971)</u>	<u>4,527,227</u>	<u>2,774,256</u>
213,514	-	215,713	348,036	1,037,048	307,844	1,344,892
462,676	-	291,390	-	3,144,553	250,639	3,395,192
-	-	-	-	1,642	-	1,642
<u>\$ 676,190</u>	<u>\$ -</u>	<u>\$ 507,103</u>	<u>\$ 348,036</u>	<u>\$ 4,183,243</u>	<u>\$ 558,483</u>	<u>\$ 4,741,726</u>



Governmental Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

General Fund (detailed): is used to account for all financial resources except those required to be reported in another fund.

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Asset Sharing – This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Community Development – This fund accounts for revenue received from the Community Development Block Grant and the expenditures allowed by grant terms.

Hotel-Motel – This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over \$2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

Parkland Dedication – This fund accounts for contributions developers are required to make when creating subdivisions for park improvements or development.

Paving & Drainage – This fund accounts for restricted funds that were billed and collected from every utility account to supplement the cost of street improvements.

Grants – This fund accounts for general grant revenues awarded to the City. Three departments utilize this fund: Police, Fire, and Library.

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Debt Service – This fund accounts for the accumulation of resources for and the payment of General and Certificates of Obligation.

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property				
	Current	\$ 15,605,700	\$ 15,605,700	\$ 15,588,142	\$ (17,558)
	Delinquent	640,000	640,000	615,104	(24,896)
	Penalty & interest	460,000	460,000	423,418	(36,582)
	Total property taxes	16,705,700	16,705,700	16,626,664	(79,036)
	Sales	12,705,000	13,187,300	14,017,135	829,835
	Franchise				
	Telephone	275,000	283,000	216,310	(66,690)
	Electric	1,650,000	1,689,800	1,817,584	127,784
	Cable	300,000	308,000	348,284	40,284
	Gas	90,000	94,000	109,706	15,706
	Total franchise taxes	2,315,000	2,374,800	2,491,884	117,084
	Other	190,000	269,500	162,152	(107,348)
	Total taxes	31,915,700	32,537,300	33,297,835	760,535
Licenses and permits					
	Building	425,000	425,000	471,531	46,531
	Vocational	141,100	141,100	104,517	(36,583)
	Other	140,000	140,000	146,648	6,648
	Total licenses & permits	706,100	706,100	722,696	16,596
Intergovernmental					
	Local school districts	293,600	293,600	154,569	(139,031)
	Other	175,300	363,300	460,097	96,797
	Total intergovernmental	468,900	656,900	614,666	(42,234)
Fees and charges:					
	Sanitation	2,843,000	2,910,100	2,861,932	(48,168)
	Brush	1,184,000	1,219,800	1,182,051	(37,749)
	Other	1,399,600	1,616,600	1,473,662	(142,938)
	Total fees & charges	5,426,600	5,746,500	5,517,645	(228,855)
Fines					
	Court	1,493,500	1,041,100	1,012,347	(28,753)
	Other	57,000	57,000	55,548	(1,452)
	Total fines	1,550,500	1,098,100	1,067,895	(30,205)
Interest income		75,600	166,400	281,309	114,909
Other		349,200	589,200	783,545	194,345
	Total revenues	\$ 40,492,600	\$ 41,500,500	42,285,591	\$ 785,091

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXPENDITURES		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
Current:					
General government					
City manager		1,347,700	1,410,700	1,386,722	23,978
Finance		646,700	690,200	664,074	26,126
Purchasing		248,900	270,200	232,171	38,029
IT		1,471,400	1,421,400	1,104,900	316,500
Media		310,900	311,200	254,393	56,807
Grants		-	203,800	240,477	(36,677)
Human Resources		554,400	564,400	491,111	73,289
Development Services		2,348,000	2,389,800	2,058,738	331,062
Engineering		584,600	586,300	550,132	36,168
Non-departmental		4,684,200	4,537,800	4,592,846	(55,046)
Total general government		12,196,800	12,385,800	11,575,564	810,236
Public safety					
Police		14,591,300	15,477,100	14,894,073	583,027
Court		549,900	551,800	572,735	(20,935)
Fire		6,519,600	6,419,300	6,074,725	344,575
Communications		1,184,500	1,338,200	1,281,282	
Total public safety		22,845,300	23,786,400	22,822,815	906,667
Highways and streets		4,244,700	4,242,200	4,071,112	171,088
Health and welfare					
Sanitation		1,910,000	1,910,000	1,928,986	(18,986)
Brush		675,000	675,000	694,218	(19,218)
Animal control		150,000	250,000	230,008	19,992
Total health and welfare		2,735,000	2,835,000	2,853,212	(18,212)
Culture and recreation					
Library		1,361,900	1,367,000	1,197,113	169,887
Parks		4,805,600	4,975,700	4,038,015	937,685
Total culture and recreation		6,167,500	6,342,700	5,235,128	1,107,572
Debt service:					
Principal		1,318,200	1,318,200	1,371,606	(53,406)
Interest		103,100	103,100	97,919	5,181
		1,421,300	1,421,300	1,469,525	(48,225)
Total expenditures		49,610,600	51,013,400	48,027,356	2,929,126
Excess (deficiency) of revenues over (under) expenditures		(9,118,000)	(9,512,900)	(5,741,765)	(2,144,035)

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

OTHER FINANCING SOURCES (USES)	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
Transfers in				
Parkland	-	-	-	-
Utility	565,500	565,500	565,500	-
Bridge	9,836,300	6,539,200	6,539,200	-
Hotel	60,000	60,000	60,000	-
Asset Sharing	-	367,000	367,000	-
PEDC	782,000	290,000	495,000	205,000
PHFC	200,000	200,000	-	(200,000)
Total transfers in	11,443,800	8,021,700	8,026,700	5,000
Transfers (out)				
Seized Assets	-	-	-	-
Community Development	(152,900)	(532,000)	(818,572)	(286,572)
Capital Improvement Project	(14,396,000)	(19,230,600)	(19,389,979)	(159,379)
Debt Service	(626,700)	(626,700)	(626,700)	-
Golf	(439,200)	(439,200)	(439,200)	-
TIRZ No. 1	(211,500)	(211,500)	(211,500)	-
TIRZ No. 2	(347,700)	(347,700)	(347,700)	-
PEDC	(1,161,100)	(1,361,100)	(1,161,100)	200,000
Total transfers (out)	(17,335,100)	(22,748,800)	(22,994,751)	(245,951)
Cost of Issuance	-	-	(306,385)	306,385
Bond/loan proceeds	13,920,200	21,654,800	19,678,700	1,976,100
Premium	-	-	2,297,189	(2,297,189)
Total	13,920,200	21,654,800	21,669,504	(14,704)
Total other financing sources and uses	8,028,900	6,927,700	6,701,453	(255,655)
Net change in fund balance	(1,089,100)	(2,585,200)	959,688	3,544,888
Fund balance - beginning	-	-	22,754,602	22,754,602
Prior period adjustment	-	-	147,907	147,907
Fund balance - ending	\$ (1,089,100)	\$ (2,585,200)	\$ 23,862,197	\$ 26,447,397

CITY OF PHARR, TEXAS
ASSET SHARING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Intergovernmental	\$	70,000	\$ 70,000	\$ 282,724	\$ 212,724
Interest income		2,000	2,000	7,195	5,195
Total revenues		<u>72,000</u>	<u>72,000</u>	<u>289,919</u>	<u>217,919</u>
EXPENDITURES					
Current:					
Public safety		685,000	685,000	51,080	633,920
Total expenditures		<u>685,000</u>	<u>685,000</u>	<u>51,080</u>	<u>633,920</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(613,000)</u>	<u>(613,000)</u>	<u>238,839</u>	<u>(416,001)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	(367,000)	(367,000)
Bond/loan proceeds		-	-	-	-
Total other financing sources and uses		<u>-</u>	<u>-</u>	<u>(367,000)</u>	<u>(367,000)</u>
Net change in fund balance		<u>(613,000)</u>	<u>(613,000)</u>	<u>(128,161)</u>	<u>(783,001)</u>
Fund balance - beginning		579,191	579,191	579,191	-
Fund balance - ending	\$	<u>(33,809)</u>	<u>(33,809)</u>	<u>453,226</u>	<u>(783,001)</u>

CITY OF PHARR, TEXAS
CDBG
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
REVENUES				
Intergovernmental	\$ 1,401,700	\$ 1,401,700	\$ 1,224,632	\$ (177,068)
Interest income	-	-	2,673	2,673
Other	-	-	630	630
Total revenues	<u>1,401,700</u>	<u>1,401,700</u>	<u>1,227,935</u>	<u>(173,765)</u>
EXPENDITURES				
Current:				
General government	1,006,900	1,372,200	1,047,917	324,283
Public Safety	5,000	5,000	5,784	(784)
Highways and streets	25,000	25,000	9,831	15,169
Culture and recreation	105,000	105,000	89,421	15,579
Debt service:				
Principal	295,000	295,000	295,000	-
Interest	117,700	117,700	117,676	24
Total expenditures	<u>1,554,600</u>	<u>1,919,900</u>	<u>1,565,629</u>	<u>354,271</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(152,900)</u>	<u>(518,200)</u>	<u>(337,694)</u>	<u>(528,036)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	152,900	518,200	818,572	300,372
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	<u>152,900</u>	<u>518,200</u>	<u>818,572</u>	<u>300,372</u>
Net change in fund balance	-	-	480,878	(227,664)
Fund balance - beginning	33,951	33,951	33,951	-
Prior Year Adjustment	-	-	(552.00)	
Fund balance - ending	\$ <u>33,951</u>	<u>33,951</u>	<u>514,277</u>	\$ <u>(227,664)</u>

CITY OF PHARR, TEXAS
HOTEL/MOTEL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Other	\$	669,200	669,200	685,987	\$ 16,787
Interest income		-	-	8,344	8,344
Other		-	-	32,433	32,433
Total revenues		<u>669,200</u>	<u>669,200</u>	<u>726,764</u>	<u>57,564</u>
EXPENDITURES					
Current:					
Culture and recreation		<u>142,200</u>	<u>142,200</u>	<u>102,738</u>	<u>39,462</u>
Total expenditures		<u>142,200</u>	<u>142,200</u>	<u>102,738</u>	<u>39,462</u>
Excess (deficiency) of revenues over (under) expenditures		<u>527,000</u>	<u>527,000</u>	<u>624,026</u>	<u>18,102</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		<u>(527,000)</u>	<u>(877,000)</u>	<u>(877,000)</u>	<u>-</u>
Total other financing sources and uses		<u>(527,000)</u>	<u>(877,000)</u>	<u>(877,000)</u>	<u>-</u>
Net change in fund balance		-	(350,000)	(252,974)	18,102
Fund balance - beginning		1,692,602	1,692,602	1,692,602	-
Prior period adjustment		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$	<u>1,692,602</u>	\$ <u>1,342,602</u>	\$ <u>1,439,628</u>	\$ <u>18,102</u>

CITY OF PHARR, TEXAS
PARKLAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
REVENUES				
Fees and charges:				
Other	\$ 30,000	\$ 30,000	\$ 156,003	\$ 126,003
Interest income	200	200	4,039	3,839
Total revenues	<u>30,200</u>	<u>30,200</u>	<u>160,042</u>	<u>129,842</u>
EXPENDITURES				
Current:				
Highways and streets	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,200</u>	<u>30,200</u>	<u>160,042</u>	<u>129,842</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	30,200	30,200	160,042	129,842
Fund balance - beginning	84,741	84,741	84,741	-
Fund balance - ending	<u>\$ 114,941</u>	<u>114,941</u>	<u>\$ 244,783</u>	<u>\$ 129,842</u>

CITY OF PHARR, TEXAS
PAVING AND DRAINAGE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Other		\$ 1,020,000	\$ 1,020,000	\$ 1,044,299	\$ 24,299
Interest income		-	-	19,499	19,499
Total revenues		<u>1,020,000</u>	<u>1,020,000</u>	<u>1,063,798</u>	<u>43,798</u>
EXPENDITURES					
Highways and streets		-	-	284	(284)
Total expenditures		<u>-</u>	<u>-</u>	<u>284</u>	<u>(284)</u>
Excess (deficiency) of revenues over (under) expenditures		<u>1,020,000</u>	<u>1,020,000</u>	<u>1,063,514</u>	<u>44,082</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		<u>(1,020,000)</u>	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
Total other financing sources and uses		<u>(1,020,000)</u>	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
Net change in fund balance		-	170,000	213,514	44,082
Fund balance - beginning		<u>462,676</u>	<u>462,676</u>	<u>462,676</u>	<u>-</u>
Fund balance - ending		<u>\$ 462,676</u>	<u>\$ 632,676</u>	<u>\$ 676,190</u>	<u>\$ 44,082</u>

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CITY OF PHARR, TEXAS
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Intergovernmental	\$	3,376,900	3,376,900	1,535,484	\$ (1,841,416)
Other			-	-	-
Total revenues		<u>3,376,900</u>	<u>3,376,900</u>	<u>1,535,484</u>	<u>(1,841,416)</u>
EXPENDITURES					
Current:					
Public safety		1,590,900	1,590,900	850,218	740,682
Health and welfare		-	-	-	-
Culture and recreation		1,786,000	1,786,000	207,722	1,578,278
Total expenditures		<u>3,376,900</u>	<u>3,376,900</u>	<u>1,057,940</u>	<u>2,318,960</u>
Excess (deficiency) of revenues over (under) expenditures		<u>-</u>	<u>-</u>	<u>477,544</u>	<u>477,544</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
(Transfers out)		<u>-</u>	<u>-</u>	<u>(477,544)</u>	<u>(477,544)</u>
Total other financing sources and uses		<u>-</u>	<u>-</u>	<u>(477,544)</u>	<u>(477,544)</u>
Net change in fund balance		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

CITY OF PHARR, TEXAS
GENERAL CAPITAL IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental		\$ 500,000	\$ 500,000	\$ 400,000	\$ (100,000)
	Total revenues	<u>500,000</u>	<u>500,000</u>	<u>400,000</u>	<u>(100,000)</u>
EXPENDITURES					
Current:					
General government		5,000,000	5,446,100	3,760,451	1,685,649
Public safety		1,900,000	5,900,000	2,873,036	3,026,964
Highways and streets		9,450,000	12,600,000	4,682,968	7,917,032
Culture and recreation		10,980,000	15,620,000	6,618,233	9,001,767
Debt Service					
Principal		-	-	689,391	(689,391)
Interest		-	-	216,696	(216,696)
	Total expenditures	<u>27,330,000</u>	<u>39,566,100</u>	<u>18,840,775</u>	<u>20,725,325</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(26,830,000)</u>	<u>(39,066,100)</u>	<u>(18,440,775)</u>	<u>(20,825,325)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		19,989,000	-	22,787,522	22,787,522
Transfers (out)		-	-	(2,240,000)	2,240,000
Proceeds from sale of assets		-	-	-	-
Issuance of debt		-	26,516,100	7,300,000	19,216,100
	Total other financing sources and uses	<u>19,989,000</u>	<u>26,516,100</u>	<u>27,847,522</u>	<u>44,243,622</u>
Net change in fund balance		<u>(6,841,000)</u>	<u>(12,550,000)</u>	<u>9,406,747</u>	<u>23,418,297</u>
Fund balance - beginning		15,690,296	15,690,296	15,690,296	-
Prior period adjustment		<u>-</u>	<u>-</u>	<u>(132,139)</u>	<u>(132,139)</u>
Fund balance - ending		\$ <u>8,849,296</u>	\$ <u>3,140,296</u>	\$ <u>24,964,904</u>	\$ <u>23,286,158</u>

Proprietary Funds

Schedule of Revenues, Expenses and Changes in Net Position- Budget and Actual

CITY OF PHARR, TEXAS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Water Sales	\$ 7,720,000	\$ 7,720,000	\$ 7,834,914	\$ 114,914
Sewer Fees	5,670,000	5,670,000	5,698,208	28,208
Tap Fees	461,000	461,000	293,635	(167,365)
Other	107,000	107,000	125,711	18,711
Total operating revenues	<u>13,958,000</u>	<u>13,958,000</u>	<u>13,952,468</u>	<u>(5,532)</u>
OPERATING EXPENSES				
Personnel services	3,689,800	3,685,300	3,152,671	532,629
Supplies and Materials	1,567,900	1,509,875	1,461,828	48,047
Contractual Services	5,536,600	5,599,125	3,040,153	2,558,972
Depreciation	-	-	4,585,007	(4,585,007)
Total operating expenses	<u>10,794,300</u>	<u>10,794,300</u>	<u>12,239,659</u>	<u>(1,445,359)</u>
Operating income (loss)	<u>3,163,700</u>	<u>3,163,700</u>	<u>1,712,809</u>	<u>(1,450,891)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	20,000	20,000	148,474	128,474
Interest expense	(1,409,400)	(1,409,400)	(1,412,926)	(3,526)
Amortization expense	-	-	332,847	332,847
Other	-	-	1,167	1,167
Total nonoperating revenues/				
(expenses)	<u>(1,389,400)</u>	<u>(1,389,400)</u>	<u>(930,438)</u>	<u>458,962</u>
Income before contributions				
and transfers	<u>1,774,300</u>	<u>1,774,300</u>	<u>782,371</u>	<u>(991,929)</u>
Transfers in	-	-	-	-
Transfers (out)	(565,500)	(565,500)	(565,500)	-
Capital Contributions	-	-	2,775,865	2,775,865
Changes in net position	1,208,800	1,208,800	2,992,736	1,783,936
Total net position - beginning	87,890,591	87,890,591	87,890,591	-
Prior period adjustment	<u>134,776</u>	<u>134,776</u>	<u>134,776</u>	<u>-</u>
Total net position - ending	<u>\$ 89,234,167</u>	<u>\$ 89,234,167</u>	<u>\$ 91,018,103</u>	<u>\$ 1,783,936</u>

CITY OF PHARR, TEXAS
EVENT CENTER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 380,000	\$ 380,000	\$ 340,926	\$ (39,074)
Total operating revenues	<u>380,000</u>	<u>380,000</u>	<u>340,926</u>	<u>(39,074)</u>
OPERATING EXPENSES				
Personnel services	464,800	464,800	403,301	61,499
Supplies and Materials	128,000	129,600	121,903	7,697
Contractual Services	185,800	190,200	149,522	40,678
Depreciation	-	-	93,363	(93,363)
Total operating expenses	<u>778,600</u>	<u>784,600</u>	<u>768,089</u>	<u>16,511</u>
Operating income (loss)	<u>(398,600)</u>	<u>(404,600)</u>	<u>(427,163)</u>	<u>(22,563)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	1,656	1,656
Interest expense	-	-	-	-
Amortization expense	-	-	-	-
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>-</u>	<u>-</u>	<u>1,656</u>	<u>1,656</u>
Income before contributions and transfers	<u>(398,600)</u>	<u>(404,600)</u>	<u>(425,507)</u>	<u>(20,907)</u>
Transfers in	398,600	398,600	398,599	(1)
Transfers (out)	-	-	-	-
Capital Contributions	-	-	-	-
Changes in net position	-	(6,000)	(26,908)	(20,908)
Total net position - beginning	3,730,982	3,730,982	3,730,982	-
Prior period adjustment	<u>(4,860)</u>	<u>(4,860)</u>	<u>(4,860)</u>	<u>-</u>
Total net position - ending	<u>\$ 3,726,122</u>	<u>\$ 3,720,122</u>	<u>\$ 3,699,214</u>	<u>\$ (20,908)</u>

CITY OF PHARR, TEXAS
BRIDGE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Toll Fees	\$ 13,200,000	\$ 13,200,000	\$ 13,675,346	\$ 475,346
Other	282,600	282,600	302,586	19,986
Total operating revenues	<u>13,482,600</u>	<u>13,482,600</u>	<u>13,977,932</u>	<u>495,332</u>
OPERATING EXPENSES				
Personnel services	1,208,200	1,241,700	1,061,295	180,405
Supplies and Materials	2,603,800	2,774,800	166,135	2,608,665
Contractual Services	1,315,100	2,196,700	1,887,524	309,176
Depreciation	-	-	768,429	(768,429)
Total operating expenses	<u>5,127,100</u>	<u>6,213,200</u>	<u>3,883,383</u>	<u>2,329,817</u>
Operating income (loss)	<u>8,355,500</u>	<u>7,269,400</u>	<u>10,094,549</u>	<u>2,825,149</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	28,000	28,000	96,427	68,427
Interest expense	(141,000)	(141,000)	(185,543)	(44,543)
Amortization expense	-	-	31,811	31,811
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>(113,000)</u>	<u>(113,000)</u>	<u>(57,305)</u>	<u>55,695</u>
Income before contributions and transfers	<u>8,242,500</u>	<u>7,156,400</u>	<u>10,037,244</u>	<u>2,880,844</u>
Transfers in	-	-	520,000	520,000
Transfers (out)	(9,618,200)	(10,039,200)	(9,237,527)	801,673
Capital Contributions	-	-	-	-
Changes in net position	(1,375,700)	(2,882,800)	1,319,717	4,202,517
Total net position - beginning	19,305,121	19,305,121	19,305,121	-
Prior period adjustment	104,968	104,968	104,968	-
Total net position - ending	<u>\$ 18,034,389</u>	<u>\$ 16,527,289</u>	<u>\$ 20,729,806</u>	<u>\$ 4,202,517</u>

CITY OF PHARR, TEXAS
GOLF FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Golf Services	\$ 762,800	\$ 762,800	\$ 699,330	\$ (63,470)
Other	127,200	127,200	102,066	(25,134)
Total operating revenues	<u>890,000</u>	<u>890,000</u>	<u>801,396</u>	<u>(88,604)</u>
OPERATING EXPENSES				
Personnel services	862,800	844,100	717,411	126,689
Supplies and Materials	216,400	215,350	224,790	(9,440)
Contractual Services	464,200	443,950	208,984	234,966
Depreciation	-	-	247,668	(247,668)
Total operating expenses	<u>1,543,400</u>	<u>1,503,400</u>	<u>1,398,853</u>	<u>104,547</u>
Operating income (loss)	<u>(653,400)</u>	<u>(613,400)</u>	<u>(597,457)</u>	<u>15,943</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	1,400	1,400	12,852	11,452
Interest expense	(17,200)	(57,200)	(15,892)	41,308
Amortization expense	-	-	-	-
Other	-	-	2,861	2,861
Total nonoperating revenues/ (expenses)	<u>(15,800)</u>	<u>(55,800)</u>	<u>(179)</u>	<u>55,621</u>
Income before contributions and transfers	<u>(669,200)</u>	<u>(669,200)</u>	<u>(597,636)</u>	<u>71,564</u>
Transfers in	439,200	439,200	439,200	-
Transfers (out)	-	-	-	-
Capital Contributions	-	-	-	-
Changes in net position	(230,000)	(230,000)	(158,436)	71,564
Total net position - beginning	3,928,545	3,928,545	3,928,545	-
Prior period adjustment	-	-	-	-
Total net position - ending	<u>\$ 3,698,545</u>	<u>\$ 3,698,545</u>	<u>\$ 3,770,109</u>	<u>\$ 71,564</u>

-

COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursed basis.

City Garage Fund—This fund is used to account for fleet maintenance and maintains an inventory of parts for the City-owned vehicles.

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

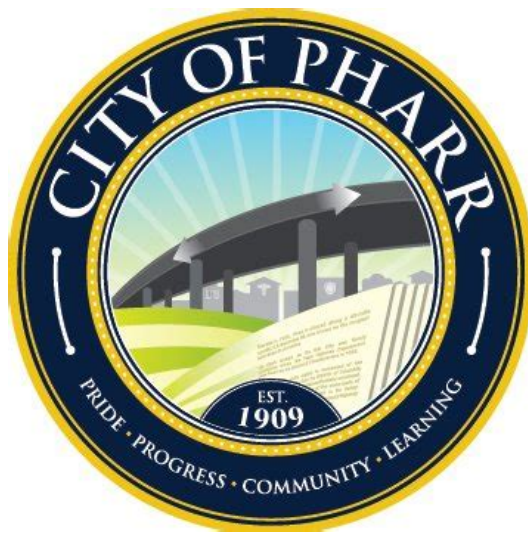
	City Garage
<u>ASSETS</u>	
Current assets:	
Cash	\$ 59,602
Inventories	61,416
Restricted assets:	
Cash with Fiscal Agent	-
Total current assets	121,018
Noncurrent assets:	
Capital assets (net of accumulated: depreciation):	
Buildings	365,017
Improvements other than buildings	2,031
Machinery and equipment	11,598
Total capital assets, net of accumulated depreciation	378,646
Total noncurrent assets	378,646
Total assets	499,664
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	30,769
Due to other funds	19,987
Total current liabilities	50,756
Current liabilities payable from restricted assets:	
Matured accrued compensation	8,690
Matured capital lease	7,791
Total current liabilities payable from restricted assets	16,481
Noncurrent liabilities:	
Accrued compensation	26,069
Capital lease payable	10,603
Total noncurrent liabilities	36,672
Total liabilities	103,909
<u>NET POSITION</u>	
Net assets:	
Invested in capital assets, net of related debt	370,855
Unrestricted	24,900
Total net position	\$ 395,755

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>City Garage</u>
Operating revenues:	
Charges for sales and services:	685,928
Other	\$ -
Total operating revenues	<u>685,928</u>
Operating expenses:	
Personnel services	181,955
Supplies and Materials	-
Contractual Services	474,064
Depreciation	37,036
Total operating expenses	<u>693,055</u>
Operating income (loss)	<u>(7,127)</u>
Nonoperating revenues (expenses):	
Interest expense	(562)
Total nonoperating revenues (expenses)	<u>(562)</u>
Income before contributions and transfers	(7,689)
Transfers in	-
Transfers out	-
Changes in net position	<u>(7,689)</u>
Total net position- beginning	403,444
Prior period adjustment	-
Total net position - ending	<u>\$ 395,755</u>
	-

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUND-CITY GARAGE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 860,600	\$ 860,600	\$ 685,928	\$ (174,672)
Total operating revenues	<u>860,600</u>	<u>860,600</u>	<u>685,928</u>	<u>(174,672)</u>
OPERATING EXPENSES				
Personnel services	231,300	231,300	181,955	49,345
Supplies and Materials	26,500	26,500	-	26,500
Contractual Services	594,700	594,700	474,064	120,636
Depreciation	8,100	8,100	37,036	(28,936)
Total operating expenses	<u>860,600</u>	<u>860,600</u>	<u>693,055</u>	<u>167,545</u>
Operating income (loss)	<u>-</u>	<u>-</u>	<u>(7,127)</u>	<u>(7,127)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	-	-
Interest expense	-	-	(562)	(562)
Amortization expense	-	-	-	-
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>-</u>	<u>-</u>	<u>(562)</u>	<u>(562)</u>
Income before contributions and transfers	<u>-</u>	<u>-</u>	<u>(7,689)</u>	<u>(7,689)</u>
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	-	-	(7,689)	(7,689)
Total net position - beginning	403,443	403,443	403,443	-
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position - ending	\$ <u>403,443</u>	\$ <u>403,443</u>	\$ <u>395,754</u>	\$ <u>(7,689)</u>



STATISTICAL SECTION

This part of the City of Pharr's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Pharr's overall financial health.

	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	-111-
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	-116-
Debt Capacity	
These schedules present information to help the reader assess the afford-ability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	-120-
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	-125-
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	-128-

City of Pharr, Texas
Net Position by Component
Last Ten Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities										
Net Invested in capital assets	\$ 50,764	\$ 53,417	\$ 36,205	\$ 36,205	\$ 39,362	\$ 64,274	\$ 62,451	\$ 69,610	\$ 76,686	\$ 72,654
Restricted	7,904	5,234	7,159	23,652	35,796	15,012	18,454	23,585	21,655	31,783
Unrestricted	<u>13,275</u>	<u>18,999</u>	<u>16,463</u>	<u>18,274</u>	<u>8,032</u>	<u>8,951</u>	<u>1,170</u>	<u>2,224</u>	<u>5,954</u>	<u>7,129</u>
Total governmental activities net position	<u>\$ 71,943</u>	<u>\$ 77,650</u>	<u>\$ 59,827</u>	<u>\$ 78,131</u>	<u>\$ 83,190</u>	<u>\$ 88,237</u>	<u>\$ 82,075</u>	<u>\$ 95,420</u>	<u>\$ 104,295</u>	<u>\$ 111,566</u>
Business-type activities										
Net Invested in capital assets	\$ 78,359	\$ 82,609	\$ 82,300	\$ 82,757	\$ 86,011	\$ 85,304	\$ 88,401	\$ 91,942	\$ 95,760	\$ 98,709
Restricted	7,759	7,375	10,195	8,529	21,394	18,996	19,603	16,647	13,158	10,459
Unrestricted	<u>2,572</u>	<u>9,691</u>	<u>12,435</u>	<u>15,940</u>	<u>6,013</u>	<u>10,276</u>	<u>10,280</u>	<u>5,994</u>	<u>5,938</u>	<u>10,049</u>
Total business-type activities net position	<u>\$ 88,690</u>	<u>\$ 99,675</u>	<u>\$ 104,930</u>	<u>\$ 107,226</u>	<u>\$ 113,418</u>	<u>\$ 114,576</u>	<u>\$ 118,283</u>	<u>\$ 114,583</u>	<u>\$ 114,855</u>	<u>\$ 119,217</u>
Primary government										
Net Invested in capital assets	\$ 129,123	\$ 136,026	\$ 118,505	\$ 118,962	\$ 125,374	\$ 149,577	\$ 150,852	\$ 161,552	\$ 172,445	\$ 171,363
Restricted	15,663	12,609	17,354	32,181	57,191	34,008	38,056	40,232	34,813	42,242
Unrestricted	<u>15,847</u>	<u>28,690</u>	<u>28,898</u>	<u>34,214</u>	<u>14,044</u>	<u>19,227</u>	<u>11,450</u>	<u>8,218</u>	<u>11,892</u>	<u>17,178</u>
Total primary government net position	<u>\$ 160,633</u>	<u>\$ 177,325</u>	<u>\$ 164,757</u>	<u>\$ 185,357</u>	<u>\$ 196,609</u>	<u>\$ 202,813</u>	<u>\$ 200,358</u>	<u>\$ 210,002</u>	<u>\$ 219,150</u>	<u>\$ 230,783</u>

City of Pharr, Texas
Changes in Net Position
Last Ten Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

Expenses	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
General government	\$ 7,594	\$ 8,061	\$ 10,917	\$ 16,251	\$ 9,970	\$ 12,144	\$ 11,091	\$ 12,359	\$ 12,265	\$ 16,369
Public safety	19,177	19,775	21,546	22,427	22,700	21,355	20,581	20,175	25,261	23,813
Streets	2,268	3,102	3,757	4,490	5,330	4,903	7,826	7,834	8,748	1,481
Sanitation	2,312	2,008	2,749	2,699	1,880	2,867	2,636	1,518	647	3,014
Culture and recreation	3,563	3,890	3,239	4,133	4,306	6,155	5,530	5,790	5,358	5,607
Economic development	-	-	-	-	8,085	2,590	1,679	3,119	3,445	5,467
Debt service	1,041	885	736	1,293	1,926	1,800	1,629	1,182	1,810	2,192
Total governmental activities expenses	<u>35,955</u>	<u>37,721</u>	<u>42,944</u>	<u>51,293</u>	<u>54,196</u>	<u>51,814</u>	<u>50,973</u>	<u>51,978</u>	<u>57,535</u>	<u>57,943</u>
Business-type activities:										
Utility	9,125	9,140	10,382	11,829	12,241	13,619	14,069	13,981	14,908	13,319
Pharr Event Center	-	-	-	-	-	-	727	808	776	769
Toll Bridge	2,975	3,428	3,082	3,137	3,413	4,822	3,905	3,725	3,768	4,037
Tierra Del Sol Golf Course	1,047	1,035	1,236	1,110	1,279	1,394	1,428	1,338	1,337	1,415
Total business-type activities expenses	<u>13,147</u>	<u>13,603</u>	<u>14,700</u>	<u>16,076</u>	<u>16,933</u>	<u>19,836</u>	<u>20,128</u>	<u>19,851</u>	<u>20,788</u>	<u>19,540</u>
Total primary government expenses	<u>\$ 49,102</u>	<u>\$ 51,324</u>	<u>\$ 57,644</u>	<u>\$ 67,369</u>	<u>\$ 71,128</u>	<u>\$ 71,650</u>	<u>\$ 71,101</u>	<u>\$ 71,829</u>	<u>\$ 78,323</u>	<u>\$ 77,483</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,970	\$ 1,734	\$ 1,962	\$ 2,014	\$ 1,980	\$ 1,646	\$ 1,431	\$ 2,074	\$ 1,989	\$ 4,210
Public Safety	3,841	999	1,184	1,180	1,210	1,355	1,607	2,953	2,576	-
Streets	3	1,093	782	807	878	859	1,008	1,026	1,048	472
Sanitation	3,256	3,347	3,560	3,585	3,658	3,825	3,924	4,018	4,079	4,095
Culture and recreation	131	128	257	665	579	1,629	582	409	436	390
Economic development	-	-	-	-	-	648	-	-	1,610	-
Debt service	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	2,448	4,227	3,451	6,221	9,493	3,132	2,568	3,289	3,784	1,014
Capital grants and contributions	256	508	25	59	1,111	1,435	1,477	222	59	2,170
Total governmental activities program revenues	<u>11,905</u>	<u>12,036</u>	<u>11,221</u>	<u>14,531</u>	<u>18,910</u>	<u>14,529</u>	<u>12,597</u>	<u>13,991</u>	<u>15,580</u>	<u>12,351</u>
Business-type activities:										
Charges for services:										
Utility	12,461	11,892	13,553	13,814	13,977	13,670	12,980	13,751	14,462	13,952
Pharr Event Center	-	-	-	-	-	-	434	617	518	341
Toll Bridge	9,301	10,660	10,415	11,002	11,915	12,572	12,781	13,438	13,905	13,978
Tierra Del Sol Golf Course	856	805	812	776	597	786	781	810	876	801
Operating grants and contributions	-	-	-	17	314	-	-	1,812	-	-
Capital grants and contributions	13,899	2,512	548	316	1,686	919	3,339	842	2,300	2,776
Total business-type activities program revenues	<u>36,517</u>	<u>25,869</u>	<u>25,328</u>	<u>25,926</u>	<u>28,489</u>	<u>27,948</u>	<u>30,315</u>	<u>31,270</u>	<u>32,061</u>	<u>31,848</u>
Total primary government program revenues	<u>\$ 48,422</u>	<u>\$ 37,905</u>	<u>\$ 36,549</u>	<u>\$ 40,456</u>	<u>\$ 47,398</u>	<u>\$ 42,477</u>	<u>\$ 42,912</u>	<u>\$ 45,261</u>	<u>\$ 47,641</u>	<u>\$ 44,199</u>

Net (expense)/revenue										
Governmental activities	\$ (24,050)	\$ (25,685)	\$ (31,723)	\$ (36,762)	\$ (35,286)	\$ (37,286)	\$ (38,375)	\$ (37,987)	\$ (41,955)	\$ (46,807)
Business-type activities	23,370	12,266	10,628	9,850	11,556	8,112	10,186	11,419	11,273	12,308
Total primary government net expense	<u>\$ (680)</u>	<u>\$ (13,419)</u>	<u>\$ (21,095)</u>	<u>\$ (26,913)</u>	<u>\$ (23,730)</u>	<u>\$ (29,174)</u>	<u>\$ (28,189)</u>	<u>\$ (26,568)</u>	<u>\$ (30,681)</u>	<u>\$ (34,499)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 14,900	\$ 15,265	\$ 14,984	\$ 15,221	\$ 15,186	\$ 15,812	\$ 16,728	\$ 17,186	\$ 17,875	\$ 19,688
Sales taxes	10,558	10,289	11,838	12,801	13,079	14,557	16,311	16,781	17,082	19,376
Other Taxes	2,807	3,152	2,844	2,232	3,129	3,129	3,605	3,457	3,565	5,534
Investment earnings	296	361	440	415	473	401	314	89	241	417
Grants, Donations, and Miscellaneous	458	105	763	1,048	421	198	-	1,763	1,546	721
Transfers	3,182	1,841	7,214	6,702	6,317	7,682	10,758	11,300	11,175	8,445
Total governmental activities	<u>32,201</u>	<u>31,013</u>	<u>38,083</u>	<u>38,420</u>	<u>38,605</u>	<u>41,780</u>	<u>47,717</u>	<u>50,576</u>	<u>51,484</u>	<u>54,181</u>
Business-type activities:										
Investment earnings	877	1,008	795	705	848	848	486	67	112	259
Grants, Donations, and Miscellaneous	107	131	135	22	21	21	65	7	30	5
Water Relief Program								(3,750)	-	-
Transfers	(3,182)	(1,841)	-	(6,702)	(6,466)	(7,849)	(11,020)	(11,683)	(11,175)	(8,445)
Total business-type activities	<u>(2,198)</u>	<u>(702)</u>	<u>930</u>	<u>(5,975)</u>	<u>(5,598)</u>	<u>(6,981)</u>	<u>(10,469)</u>	<u>(15,359)</u>	<u>(11,033)</u>	<u>(8,181)</u>
Total primary government	<u>\$ 30,003</u>	<u>\$ 30,311</u>	<u>\$ 39,013</u>	<u>\$ 32,445</u>	<u>\$ 33,008</u>	<u>\$ 34,799</u>	<u>\$ 37,248</u>	<u>\$ 35,217</u>	<u>\$ 40,451</u>	<u>\$ 46,000</u>
Change in Net Position										
Governmental activities										
Business-type activities	\$ 8,151	\$ 5,328	\$ 6,360	\$ 1,658	\$ 3,320	\$ 4,494	\$ 9,342	\$ 12,589	\$ 9,530	\$ 7,374
Total primary government	21,172	11,564	4,344	3,875	5,958	1,131	(283)	(3,940)	240	4,127
	<u>\$ 29,323</u>	<u>\$ 16,892</u>	<u>\$ 10,704</u>	<u>\$ 5,532</u>	<u>\$ 9,278</u>	<u>\$ 5,625</u>	<u>\$ 9,059</u>	<u>\$ 8,649</u>	<u>\$ 9,770</u>	<u>\$ 11,501</u>

City of Pharr, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund										
Reserved, Nonspendable, Restricted	\$ 102	\$ 231	\$ 3,354	\$ 20,807	\$ 10,752	\$ 12,879	\$ 12,841	\$ 13,573	\$ 16,422	\$ 12,634
Unreserved, undesignated, unassigned	8,338	14,901	5,809	748	3,593	219	794	5,839	6,333	3,218
Designated, Committed, Assigned	-	-	8,054	9,046	-	-	-	-	-	8,010
Total general fund	<u>\$ 8,440</u>	<u>\$ 15,132</u>	<u>\$ 17,217</u>	<u>\$ 30,601</u>	<u>\$ 14,346</u>	<u>\$ 13,098</u>	<u>\$ 13,636</u>	<u>\$ 19,413</u>	<u>\$ 22,755</u>	<u>\$ 23,862</u>
 All other governmental funds										
Reserved, Nonspendable,	\$ 6,407	\$ 2,501	\$ -	\$ (1,611)	\$ 1,212	\$ 1,677	\$ 2,405	\$ 3,052	\$ 3,145	\$ 3,074
Restricted, reported in:						-				
Special revenue funds	-	-	387	1,339	-	-	-	-	-	4,066
Debt service fund	-	-	63	20	-	-	-	-	-	-
Economic Development fund	-	-	3,197	3,085	20,014	23,094	12,169	12,816	12,869	3,320
Unreserved, unassigned, reported in:										
Special revenue funds	1,333	1,086	(2,929)	-	-	-	-	-	-	-
Capital projects funds	-	1,251	-	-	11,747	8,349	10,459	23,198	15,690	24,965
Debt service funds	-	-	-	-	37	157	317	203	251	676
Assigned	-	-	1,943	17,392	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 7,740</u>	<u>\$ 4,838</u>	<u>\$ 2,661</u>	<u>\$ 20,224</u>	<u>\$ 33,009</u>	<u>\$ 33,278</u>	<u>\$ 25,350</u>	<u>\$ 39,269</u>	<u>\$ 31,955</u>	<u>\$ 36,101</u>
 Total governmental fund balances	<u>\$ 16,180</u>	<u>\$ 19,970</u>	<u>\$ 19,878</u>	<u>\$ 50,825</u>	<u>\$ 47,355</u>	<u>\$ 46,376</u>	<u>\$ 38,986</u>	<u>\$ 58,681</u>	<u>\$ 54,709</u>	<u>\$ 59,963</u>

City of Pharr, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 28,215	\$ 28,707	\$ 29,814	\$ 31,391	\$ 31,504	\$ 33,978	\$ 36,550	\$ 37,335	\$ 38,434	\$ 44,716
Licenses and permits	682	550	762	664	818	762	681	734	657	722
Intergovernmental	2,448	4,579	3,451	6,221	9,521	4,468	2,964	3,289	3,784	1,015
Charges for services	4,468	5,226	5,010	5,525	5,778	6,326	5,933	6,048	6,332	6,718
Fines	1,122	1,107	914	977	936	1,086	1,178	1,309	1,641	1,068
Investment earnings	296	361	440	415	474	401	314	89	241	417
Miscellaneous	254	533	375	692	644	945	368	1,218	12,571	1,191
Total Revenues	<u>37,486</u>	<u>41,064</u>	<u>40,766</u>	<u>45,885</u>	<u>49,675</u>	<u>47,966</u>	<u>47,988</u>	<u>50,023</u>	<u>63,661</u>	<u>55,847</u>
Expenditures										
General government	6,220	6,609	14,398	13,336	10,337	11,933	10,784	11,498	11,037	16,384
Public safety	18,846	18,522	19,963	22,058	22,253	21,439	19,456	21,930	23,572	26,603
Highways and streets	2,499	4,012	4,404	7,401	7,056	5,012	8,412	11,107	13,846	8,764
Health and Welfare	2,318	2,423	2,555	2,654	2,371	2,758	2,808	2,694	2,408	2,853
Culture and recreation	3,472	3,664	6,010	5,524	12,999	6,346	4,867	5,439	7,926	12,253
Economic development	2,165	1,360	1,538	2,677	1,163	2,775	1,698	2,720	3,340	8,690
Debt service - Principal	3,335	1,781	1,635	2,588	9,339	7,811	7,994	15,162	17,161	12,046
Debt service - Interest	978	819	712	1,156	1,750	1,866	1,636	1,267	2,052	2,393
Total expenditures	<u>39,833</u>	<u>39,191</u>	<u>51,215</u>	<u>57,393</u>	<u>67,269</u>	<u>59,940</u>	<u>57,655</u>	<u>71,817</u>	<u>81,342</u>	<u>89,986</u>
Excess of revenues over (under) expenditures	(2,347)	1,872	(10,449)	(11,508)	(17,594)	(11,974)	(9,667)	(21,793)	(17,681)	(34,139)
Other financing sources (uses)										
Transfers in	6,066	9,951	11,615	42,210	34,633	19,662	21,849	35,719	20,787	37,389
Transfers out	(2,882)	(8,110)	(4,393)	(35,508)	(28,316)	(11,981)	(11,090)	(24,419)	(9,612)	(29,503)
Proceeds from sale of assets	-	-	805	120	551	198	(953)	642	-	-
Other Contributions	-	-	-	-	-	-	-	-	(9,900)	-
Issuance of debt	3,587	245	2,372	30,572	14,306	2,381	480	29,739	11,366	31,810
Total other financing sources (uses)	<u>6,771</u>	<u>2,086</u>	<u>10,399</u>	<u>37,395</u>	<u>21,175</u>	<u>10,260</u>	<u>10,286</u>	<u>41,680</u>	<u>12,641</u>	<u>39,696</u>
Special Items										
Gain/(Loss) on land available for sale valuation	-	-	-	-	(6,371)	-	(7,629)	-	1,566	(356)
Total special items	-	-	-	-	(6,371)	-	(7,629)	-	1,566	(356)
Net change in fund balances	<u>\$ 4,424</u>	<u>\$ 3,959</u>	<u>\$ (50)</u>	<u>\$ 25,887</u>	<u>\$ (2,790)</u>	<u>\$ (1,714)</u>	<u>\$ (7,010)</u>	<u>\$ 19,887</u>	<u>\$ (3,475)</u>	<u>\$ 5,201</u>
Debt service as a percentage of noncapital expenditures	12.1%	7.1%	4.8%	7.0%	19.7%	19.3%	20.1%	29.7%	30.9%	19.1%

City of Pharr, Texas
Assessed Value and Estimated Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Minerals</u>	<u>Other</u>	<u>Total Assessed</u>	<u>Less: Ag Loss &Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value¹ as a Percentage of Actual Value</u>
2009	2008	\$ 1,831,559	\$ 496,061	\$ 15,957	\$ 52,232	\$ 213,847	\$ 2,609,655	\$ 506,079	\$ 2,103,576	\$ 0.68	\$ 2,103,576	124.06%
2010	2009	\$ 1,852,609	\$ 528,963	\$ 16,672	\$ 49,303	\$ 242,187	\$ 2,689,735	\$ 527,968	\$ 2,161,766	\$ 0.68	\$ 2,161,766	124.42%
2011	2010	\$ 1,903,835	\$ 561,456	\$ 14,999	\$ 16,865	\$ 265,722	\$ 2,762,876	\$ 591,022	\$ 2,171,854	\$ 0.68	\$ 2,171,854	127.21%
2012	2011	\$ 1,913,524	\$ 574,336	\$ 13,337	\$ 11,027	\$ 256,980	\$ 2,769,204	\$ 604,760	\$ 2,164,444	\$ 0.68	\$ 2,164,444	127.94%
2013	2012	\$ 1,978,273	\$ 591,866	\$ 12,310	\$ 11,038	\$ 265,359	\$ 2,858,847	\$ 662,530	\$ 2,196,317	\$ 0.68	\$ 2,196,317	130.17%
2014	2013	\$ 1,989,015	\$ 623,074	\$ 12,350	\$ 9,132	\$ 320,085	\$ 2,953,655	\$ 687,001	\$ 2,266,654	\$ 0.68	\$ 2,266,654	130.31%
2015	2014	\$ 2,130,562	\$ 665,903	\$ 12,239	\$ 6,201	\$ 316,074	\$ 3,130,979	\$ 753,721	\$ 2,377,258	\$ 0.68	\$ 2,377,258	131.71%
2016	2015	\$ 2,255,602	\$ 734,905	\$ 11,444	\$ 4,972	\$ 377,209	\$ 3,384,132	\$ 812,816	\$ 2,571,316	\$ 0.65	\$ 2,571,316	131.61%
2017	2016	\$ 2,302,343	\$ 826,519	\$ 11,971	\$ 3,175	\$ 374,763	\$ 3,518,771	\$ 827,461	\$ 2,691,310	\$ 0.65	\$ 2,691,310	130.75%
2018	2017	\$ 2,384,074	\$ 951,399	\$ 12,021	\$ 5,914	\$ 385,546	\$ 3,738,955	\$ 896,151	\$ 2,842,804	\$ 0.65	\$ 2,842,804	131.52%

Source: Hidalgo County Central Appraisal District

Note: Assessed values are determined as of August 1, and relate to taxes levied on the first day of the following fiscal year. Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

¹Includes tax-exempt property.

City of Pharr, Texas
Property Tax Rates¹ and Tax Levies
Direct and Overlapping² Governments
Last Ten Fiscal Years

Fiscal Year Ending	City of Pharr Tax Rate			Overlapping Tax Rates								
				Drainage District #1			Hidalgo County			P.S.J.A ISD		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2009	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.51	\$ 0.08	\$ 0.59	\$ 1.04	\$ 0.26	\$ 1.30
2010	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.51	\$ 0.08	\$ 0.59	\$ 1.04	\$ 0.17	\$ 1.21
2011	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2012	\$ 0.60	\$ 0.077	\$ 0.68	\$ 0.05	\$ 0.03	\$ 0.08	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2013	\$ 0.60	\$ 0.077	\$ 0.68	\$ 0.06	\$ 0.04	\$ 0.10	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2014	\$ 0.60	\$ 0.080	\$ 0.68	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2015	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2016	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.23	\$ 1.40
2017	\$ 0.58	\$ 0.070	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.23	\$ 1.40
2018	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.05	\$ 0.58	\$ 1.17	\$ 0.21	\$ 1.38

Fiscal Year Ending	Overlapping Tax Rates						Total Direct & Overlapping Rates
	South Texas ISD			South Texas College			
	Operating	Debt Service	Total	Operating	Debt Service	Total	
2009	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.84
2010	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.76
2011	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
2012	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
2013	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.92
2014	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.93
2015	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.93
2016	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.97
2017	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.97
2018	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.94

Source: City of Pharr Tax Assessor/Collector, Hidalgo County Tax Office, Pharr-San Juan-Alamo Independent School District, TEA
Financial Audit Reports

¹Tax rate is per \$100 of taxable assessed value

²Overlapping rates are those of local and county governments that apply to property owners within the City of Pharr. Not all overlapping rates apply to all City of Pharr property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.

City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2018 and 2009
(amounts expressed in thousands)

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
McAllen LEVCAL, LLC	\$ 60,057	1	2.11%	\$ 12,393	4	0.59%
HEB Grocery Company LP	\$ 25,427	2	0.89%	\$ -		
AEP Texas Central CO	\$ 19,389	3	0.68%	\$ 12,368	5	0.59%
Wilder Corporation of Delaware	\$ 17,771	4	0.63%	\$ 14,021	1	0.67%
Capote ABCD Inc	\$ 14,718	5	0.52%	\$ -		0.00%
Costco Wholesale Corp	\$ 12,898	6	0.45%	\$ -		0.00%
FJRS Investments LTD	\$ 12,825	7	0.45%	\$ 9,723	7	0.46%
Audie E. Ray Commerical Property Inc	\$ 11,545	8	0.41%			
Toyota of Pharr Scion of Pharr	\$ 10,318	9	0.36%	\$ -		0.00%
Costco Wholesale Corp	\$ 10,036	10	0.35%	\$ -		0.00%
Central Power & Light	\$ -		-	\$ 13,052	2	0.62%
Capote Farms LTD	\$ -		-	\$ 12,849	3	0.61%
Shell Western E&P (Total E&P)	\$ -		-	\$ 10,254	6	0.49%
Frank Smith Toyota	\$ -		-	\$ 8,934	8	0.42%
Gold Star Warehousing LTD	\$ -		-	\$ 8,470	9	0.40%
Southwestern Bell Tele	\$ -		-	\$ 8,130	10	0.39%
Totals	\$ 292,146		10.3%	\$ 110,194		5.2%
Assessed Taxable Value	\$ 2,842,804			\$ 2,103,576		

City of Pharr, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year <u>Ended</u>	Tax <u>Year</u>	Total Tax Levy* for <u>Fiscal Year</u>	<u>Collections within the Fiscal Year of the Levy</u>		Delinquent Collections in <u>Subsequent Years</u>	<u>Total Collections to Date</u>	
			<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2009	2008	\$ 14,567	\$ 13,391	91.9%	\$ 967	\$ 14,358	98.6%
2010	2009	\$ 14,824	\$ 13,673	92.2%	\$ 860	\$ 14,532	98.0%
2011	2010	\$ 14,674	\$ 13,559	92.4%	\$ 706	\$ 14,265	97.2%
2012	2011	\$ 14,576	\$ 13,771	94.5%	\$ (0.13)	\$ 13,771	94.5%
2013	2012	\$ 14,935	\$ 14,049	94.1%	\$ 178.69	\$ 14,228	95.3%
2014	2013	\$ 15,413	\$ 14,631	94.9%	\$ 96.26	\$ 14,727	95.6%
2015	2014	\$ 16,431	\$ 15,448	94.0%	\$ 242.87	\$ 15,691	95.5%
2016	2015	\$ 16,952	\$ 15,928	94.0%	\$ 297.72	\$ 16,226	95.7%
2017	2016	\$ 17,654	\$ 16,642	94.3%	\$ 293.29	\$ 16,935	95.9%
2018	2017	\$ 18,625	\$ 17,832	95.7%	\$ 80.13	\$ 17,912	96.2%

*Tax Levy including modifications throughout the year

Sources: City of Pharr Tax Assessor/Collector
Hidalgo County Tax Assessor/Collector

City of Pharr, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General	Certificates of Obligation	Notes	Capital Leases	Utility &	Capital Leases	Notes				
	Obligation Bonds				Toll Bridge Bonds/Notes						
2009	\$ 15,130	\$ 3,330	\$ 731	\$ 2,503	\$ 64,510	\$ 1,016	\$ 3,125	\$ 90,345	0.04%	\$ 1,351	
2010	\$ 14,395	\$ 2,745	\$ 270	\$ 1,621	\$ 61,345	\$ 713	\$ 1,595	\$ 82,684	0.03%	\$ 1,230	
2011	\$ 15,750	\$ -	\$ -	\$ 2,738	\$ 58,415	\$ 952	\$ -	\$ 77,855	0.04%	\$ 1,106	
2012	\$ 14,300	\$ 7,600	\$ 21,500	\$ 3,405	\$ 55,385	\$ 537	\$ -	\$ 102,726	0.03%	\$ 1,417	
2013	\$ 12,800	\$ 7,300	\$ 28,500	\$ 3,200	\$ 61,000	\$ 463	\$ -	\$ 113,263	0.03%	\$ 1,562	
2014	\$ 11,295	\$ 7,025	\$ 24,064	\$ 4,101	\$ 58,442	\$ 389	\$ -	\$ 105,317	0.03%	\$ 1,452	
2015	\$ 9,710	\$ 6,720	\$ 20,242	\$ 3,413	\$ 55,917	\$ 218	\$ -	\$ 96,219	0.04%	\$ 1,327	
2016	\$ 7,440	\$ 20,705	\$ 14,254	\$ 8,541	\$ 52,092	\$ 27	\$ -	\$ 103,059	0.03%	\$ 1,347	
2017	\$ 6,305	\$ 18,835	\$ 1,121	\$ 6,516	\$ 44,268	\$ 1,783	\$ -	\$ 78,827	0.05%	\$ 1,019	
2018	\$ 5,898	\$ 32,565	\$ 6,819	\$ 7,377	\$ 41,097	\$ 3,539	\$ -	\$ 97,295	0.04%	\$ 1,224	

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Pharr, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value¹ of Property</u>	<u>Per Capita²</u>
2009	\$ 15,130	0.70%	\$ 226.2
2010	\$ 14,395	0.54%	\$ 214.2
2011	\$ 15,750	0.57%	\$ 223.7
2012	\$ 14,300	0.52%	\$ 197.2
2013	\$ 12,800	0.46%	\$ 176.5
2014	\$ 11,295	0.38%	\$ 154.4
2015	\$ 9,710	0.31%	\$ 132.8
2016	\$ 7,440	0.22%	\$ 97.2
2017	\$ 6,305	0.19%	\$ 81.5
2018	\$ 5,898	0.16%	\$ 74.2

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

City of Pharr, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2018
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hidalgo County	\$ 195,660	8.4%	\$ 16,461
Hidalgo Irrigation District #1	\$ -	0.0%	-
South Texas College	\$ 143,065	102.4%	\$ 146,536
South Texas ISD	\$ -	0.0%	-
Pharr, San Juan, Alamo Independent School District	\$ 325,685	12.8%	\$ 41,751
Overlapping debt			\$ 204,748
City of Pharr direct debt	\$ 66,724	100.0%	\$ 66,724
Total direct and overlapping debt			<u>\$ 271,472</u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment.
Debt outstanding data provided by the county. Data as of 12/31/2010.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city of Pharr. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

City of Pharr, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt Limit	\$ 260,966	\$ 268,973	\$ 276,288	\$ 276,920	\$ 285,885	\$ 295,366	\$ 313,098	\$ 338,412	400,700	448,005
Total net debt applicable to limit	<u>15,130</u>	<u>14,395</u>	<u>15,750</u>	<u>14,300</u>	<u>12,800</u>	<u>11,295</u>	<u>9,710</u>	<u>7,440</u>	<u>6,305</u>	<u>5,898</u>
Legal debt margin	<u>\$ 245,836</u>	<u>\$ 254,578</u>	<u>\$ 260,538</u>	<u>\$ 262,620</u>	<u>\$ 273,085</u>	<u>\$ 284,071</u>	<u>\$ 303,388</u>	<u>\$ 330,972</u>	<u>\$ 394,395</u>	<u>\$ 442,107</u>
Total net debt applicable to the limit as a percentage of debt limit	5.8%	5.4%	5.70%	5.2%	4.5%	3.8%	3.1%	2.2%	1.6%	1.3%

Assesed Value	\$ 3,738,955
Add Back: exempt property	741,097
Total Assessed Value	4,480,052
Debt Limit (10% of total assessed value)	448,005
Debt applocable to limit:	
General obligation bonds	<u>5,898</u>
Legal debt margin	<u><u>\$ 442,107</u></u>

Note: Under state finance law, the City of Pharr's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Pharr, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

	Water & Sewer Revenue Bonds										
Fiscal Year	Utility Sewer Charges and Other		Less: Operating Expenses		Net Available Revenue		Debt Service		Coverage		
							Principal	Interest			
2009	\$	13,259	\$	5,714	\$	7,545	\$	2,330	\$	1,807	1.82
2010	\$	12,473	\$	5,750	\$	6,723	\$	2,385	\$	1,749	1.63
2011	\$	13,553	\$	6,946	\$	6,607	\$	2,465	\$	1,670	1.60
2012	\$	13,814	\$	7,465	\$	6,349	\$	2,540	\$	1,598	1.53
2013	\$	13,977	\$	7,043	\$	6,934	\$	2,540	\$	1,618	1.67
2014	\$	13,728	\$	7,862	\$	5,866	\$	2,870	\$	1,675	1.29
2015	\$	12,991	\$	7,966	\$	5,025	\$	2,950	\$	1,600	1.10
2016	\$	13,745	\$	6,315	\$	7,430	\$	3,035	\$	1,675	1.58
2017	\$	14,454	\$	6,387	\$	8,067	\$	3,382	\$	1,643	1.61
2018	\$	13,643	\$	6,590	\$	7,053	\$	2,958	\$	1,070	1.75

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Utility charges and other revenues include only utility service charges, investment earnings, and tap fees. Operating expenses do not include interest or depreciation. Historical information taken from prior financial reports.

City of Pharr, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population¹</u>	<u>Median Household Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling²</u>	<u>School Enrollment³</u>	<u>Unemployment Rate⁴</u>
2009	66,874	38,967*	9,462*	27.8*	47.3%*	30,618	11.2%
2010	67,217	28,000	11,421	27.1	58.1%	31,329	10.5%
2011	70,400	28,000	11,420	27.1	58.1%	31,508	10.7%
2012	72,513	30,486	12,328	27.3	59.7%	31,633	8.4%
2013	73,138	30,486	12,328	28.0	59.7%	32,050	9.3%
2014	73,138	32,087	12,964	28.3	61.3%	32,287	7.9%
2015	75,382	34,655	12,694	27.6	61.3%	32,519	7.1%
2016	76,538	34,708	13,713	27.6*	62.0%	33,501	6.7%
2017	77,320	36,501	13,724	31.1	62.8%	32,838	7.7%
2018	79,487	39,445	14,826	31.1	63.3%	32,631	7.3%

Data Sources: U.S. Census, Texas Workforce Commission, U.S. Bureau of Labor Statistics, and PSJA ISD

¹Population data from 2004 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010. 2012 population estimate based on percentage increase of US Census Bureau totals for 2010 and 2011. 2013 population estimate based on percentage increase of US Census Bureau totals for 2011 and 2012.

²Represents population age 25 or greater that has graduated from high school.

³School Enrollment data includes enrollment for Pharr San Juan and Alamo School District. (As of 9/30/2018)

⁴Unemployment rate as of September 2018. (Source: Workforce Solutions)

* Data Not Available

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2018 and 2009

2018			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan-Alamo ISD	4,298	1	18.87%
City of Pharr	733	2	3.22%
Ticketmaster	540	3	2.37%
Atento	490	4	2.15%
Maximus	400	5	1.76%
Walmart	376	6	1.65%
Lacks	300	7	1.32%
HEB Food Stores	290	8	1.27%
VDP Healthcare	250	9	1.10%
Home Depot	150	10	0.66%
Total	<u>7,827</u>		<u>34.37%</u>

2009			
<u>Employers</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pharr-San Juan-Alamo ISD	2,023	-	9.02%
Convergys	1,000	-	4.46%
Vdp Healthcare Inc	435	-	1.94%
Highway & Transportation	324	-	1.44%
HEB Food Stores	320	-	1.43%
Lack's Valley Stores LTD	300	-	1.34%
City of Pharr	280	-	1.25%
Limon Masonry	250	-	1.11%
US Customs SVC Port of Entry	179	-	0.80%
Pharr Police Department	156	-	0.70%
Total	<u>5,267</u>		<u>23.49%</u>

Source: Workforce Solutions Lower RGV

* Information was not tracked to provide stated information.

City of Pharr, Texas
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Budgeted Full-time Equivalent Employees as of September 30, 2018										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL FUND										
City Manager	9.0	8.0	7.5	9.5	8.5	15.0	9.0	7.0	8.0	8.0
Finance	5.5	9.0	9.0	14.0	14.0	14.0	12.0	10.0	8.0	8.0
Police Department	161.0	160.0	172.0	174.5	176.5	186.5	178.5	183.0	169.0	169.0
Traffic Safety	16.0	16.0	16.0	17.0	17.0	0.0	0.0	0.0	0.0	0.0
Purchasing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Municipal Court	5.0	6.5	7.5	7.5	8.0	7.0	8.0	9.0	10.0	10.0
Fire Protection	66.0	65.0	74.0	73.0	78.0	82.0	80.0	80.0	80.0	80.0
(PAL) Administrative Services	7.0	7.5	7.0	7.0	7.0	8.3	8.3	5.0	0.0	0.0
Street Maintenance	29.0	31.0	33.0	32.0	32.0	48.0	50.0	63.0	53.0	53.0
Information Technology	0.0	0.0	2.5	2.0	5.0	10.0	12.5	19.5	13.5	13.5
Media	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	8.0
Municipal Library	26.0	22.5	22.5	22.5	23.5	25.0	23.5	27.5	27.5	27.5
Parks & Recreation	102.0	102.0	64.3	68.1	62.1	56.8	112.6	31.0	54.0	54.0
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	23.0	23.0
Human Resources	0.0	0.0	0.0	0.0	0.0	0.0	4.0	6.0	8.0	8.0
Planning & Community Dev	22.0	18.5	18.5	18.5	20.0	22.5	23.0	23.0	24.0	24.0
Engineer	0.0	0.0	0.0	4.0	5.5	4.5	6.5	7.5	8.5	8.5
Total General Fund	448.5	446.0	433.8	449.6	457.1	479.6	527.9	477.5	496.5	496.5
UTILITY FUND										
Administrative	12.5	9.5	9.0	9.0	9.0	9.0	9.0	9.0	10.0	10.0
Water Production	10.0	10.0	10.0	10.0	13.0	15.0	15.0	15.0	15.0	15.0
Water Distribution	23.0	23.5	24.0	26.5	27.0	30.5	30.5	28.5	32.5	32.5
Water Treatment Plant	13.0	13.0	13.0	17.0	18.0	19.0	19.0	19.0	19.0	19.0
Lift Station	3.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Utility Fund	61.5	57.0	57.0	62.5	67.0	73.5	73.5	71.5	76.5	76.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	4.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Internal Svc Fund	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
OTHER										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	24.0	24.5	24.0	22.0	22.0	27.0	23.5	23.5	19.0	19.0
Total Int'l Bridge	25.0	25.5	25.0	23.0	23.0	28.0	24.5	24.5	20.0	20.0
OTHER										
CDBG	4.0	5.5	5.5	4.5	3.5	4.0	0.0	0.0	5.0	4.0
Grants Mnagement	0.0	0.0	0.0	0.0	0.0	0.0	6.0	5.0	5.0	2.0
Golf Course	15.5	15.0	15.5	15.5	17.0	23.5	20.5	22.0	24.0	24.0
Events Center	0.0	0.0	0.0	6.4	8.0	17.5	18.5	4.0	4.0	4.0
Total Other	19.5	20.5	21.0	26.4	28.5	45.0	45.0	40.5	38.0	34.0
GRAND TOTAL	559.5	553.0	540.8	565.5	580.6	631.1	675.9	619.0	636.0	632.0

City of Pharr, Texas
Operating Indicators by Function
Last Ten Fiscal Years

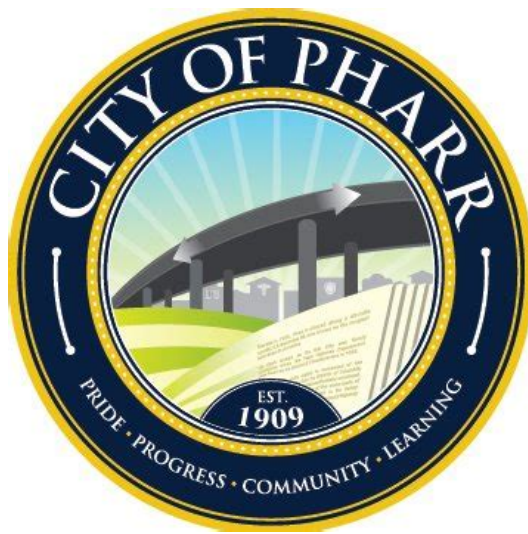
Function	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police										
Physical arrests	4,839	15,660	3,395	3,477	2,197	3,573	2,423	1,805	2,150	3,215
Parking & Traffic Violations	25,689	12,556	10,742	9,654	12,607	12,893	19,628	13,684	12,543	13,523
Fire										
Number of calls answered	2,148	2,144	2,018	1,850	2,491	2,488	2,899	2,926	1,527	1,711
Inspections	1,325	1,160	1,842	2,620	2,263	2,942	2,184	2,675	2,197	2,273
Highways and streets										
Street resurfacing (miles)	7	9	9	7	6.44	7.31	1.41	10	8	8
Potholes repaired	825	775	4000	1500	545	1297	506	3089	3947	1801
International Bridge										
Car Crossings	1,444,912	1,264,573	1,038,430	946,847	937,829	866,328	794,930	865,200	843,452	856,392
Truck Crossings	409,336	447,122	440,705	463,714	485,299	508,180	523,373	548,172	566,918	578,617
Culture and recreation										
Pharr Events Center	84	50	20	72	60	91	69	160	74	76
Other Community Center Events	414	378	329	703	442	unknown	unknown	382	41	unknown
Water										
New connections	220	278	428	304	372	256	303	447	425	420
Water mains breaks	445	711	768	~1365	~1625	~1642	~1726	1,410	1,107	1,107
Average daily consumption (millions of gallons)	7.3 MGD	6.3 MGD	6.6 MGD	7.0 MGD	6.9 MGD	7.1 MGD	6.46 MGD	6.7 MGD	5.4 MGD	7 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	4.8 MGD	4.76MGD	4.9 MGD	4.9MGD	4.8 MGD	5.1 MGD	5.2 MGD	4.9 MGD	4.8 MGD	4.57 MGD

Sources: Various City Departments

City of Pharr, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	3	3
Patrol units	93	128	125	62	61	68	68	83	93	98
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	214	214	214	214	214	214	214	214	214	214
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	55	56	58	61	68	72	75	77	77	77
Culture and recreation										
Parks Acreage (Developed)	57	57	57	79	46	57	57	57	57	57
Swimming pools	2	-	-	-	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	7	7	7
Water										
Water mains (miles)	315	313	325	~304	~304	~303	~304	~350.84	~356	~356
Fire hydrants	1,896	1,946	1,946	~2,214	~2,214	~2,213	~2,214	~2,563	~2219	~2219
Maximum daily capacity (thousands of gallons)	12.01 MGD	9.9 MGD	10 MGD	10 MGD	10 MGD	19 MGD	20 MGD	20 MGD	19MGD	19MGD
Sewer										
Sanitary sewers (miles)	265	266	269	267	~267	~266	~267	~273.55	~280	~280
Storm sewers (miles)	82	94.43	97.2	Unknown	96.63	95.63	95.64	97.34	98	98
Maximum daily treatment capacity (thousands of gallons)	5.9 MGD	5.3 MGD	8 MGD	8 MGD	7.4 MGD	6.4 MGD	7.3 MGD	6.44 MGD	8 MGD	8 MGD

Sources: Various City Departments



Single Audit Section



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Oscar R. González
Melissa González

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

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements and have issued our report thereon dated March 12, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2018-4.

Compliance and Other Matters

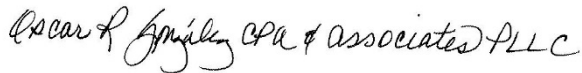
As part of obtaining reasonable assurance about whether the City of Pharr, Texas's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2018-1 through 2018-3.

City of Pharr, Texas's Response to Findings

City of Pharr, Texas's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Handwritten signature of Oscar R. Gonzalez in cursive script.

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

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

To the Honorable Mayor and Members of the City Council
City of Pharr, Texas

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Pharr, Texas' compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the City of Pharr, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above.

In planning and performing our audit of compliance, we considered the City of Pharr, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas' internal control over compliance.

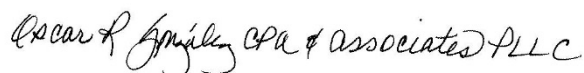
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2018-2 and 2018-3 to be significant deficiencies.

City of Pharr, Texas' response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

CITY OF PHARR, TEXAS
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Sub-Recipient
<u>U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
Passed Through Governor's Division of Emergency Management:				
Operation Stonegarden	97.067	EMW-2016-SS-00056	\$ 111,674	\$ -
Pharr Regional K-9 Project	97.044	EMW-2017-SS-00005	\$ 4,372	\$ -
TRU-Upgrade/Expansion of Regional Technical Response Unit	98.067	EMW-2017-SS-00005	\$ 51,928	\$ -
Total Passed Through Texas Office of the Governor-Homeland Security Grants Division (HSGD)			\$ 167,975	\$ -
Total U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY			\$ 167,975	\$ -
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed Through Direct Programs:				
Community Development Block Grant	14.218	B-11-MC-48-0507	\$ -	\$ -
Community Development Block Grant	14.218	B-15-MC-48-0507	\$ 37,421	\$ 37,421
Community Development Block Grant	14.218	B-16-MC-48-0507	\$ 333,329	\$ 333,329
Community Development Block Grant	14.218	B-17-MC-48-0507	\$ 853,882	\$ 853,882
			\$ -	\$ -
Total Passed Through Direct Programs			\$ 1,224,632	\$ 1,224,632
Total U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ 1,224,632	\$ 1,224,632
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Passed Through Direct Programs:				
Human Trafficking Liaison Grant 2018	16.575	2016-VA-GX-0033	\$ 23,617	\$ -
Crime Victims Liaison Grant 2018	16.575	2016-VA-GX-0033	\$ 52,955	\$ -
Domestic Violence Coordinator Project 2018	16.575	2016-VA-GX-0033	\$ 15,342	\$ -
Total Passed Through Governor's Division of Criminal Justice			\$ 91,914	\$ -
<u>U.S. DEPARTMENT OF JUSTICE</u>				
COPS Hiring Program	16.710	2015UMWX0115	\$ 148,428	\$ -
			\$ 148,428	\$ -
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Bulletproof Vest Partnership Program-Bureau of Justice Assist	16.607		\$ 7,660	\$ -
			\$ 7,660	\$ -
<u>U.S. General Services Administration</u>				
Donation of Federal Surplus Personal Property	39.003		\$ 63,076	\$ -
Total U.S. General Services Administration			\$ 63,076	\$ -
Total U.S. DEPARTMENT OF JUSTICE			\$ 311,078	\$ -
<u>NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION</u>				
STEP - Click IT or Ticket	20.616	405B	\$ 2,993	\$ -
STEP - Impaired Driving Mobilization	20.616	405D	\$ 7,832	\$ -
STEP - CMV	20.616	402	\$ 11,455	\$ -
Total Passed Through Texas Department of Transportation (TXDOT)			\$ 22,281	\$ -
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
Passed Through Direct Programs:				
Operation Task Force	16.922	112SA1599	\$ 96,202	\$ -
Total U.S. DEPARTMENT OF TREASURY			\$ 96,202	\$ -
<u>U.S. DEPARTMENT OF COMMERCE</u>				
EDA Grant-Pharr Research & Dev. Center	11.307	08-79-05003	\$ 477,543	\$ -
			\$ 477,543	\$ -
<u>US DEPARTMENT OF JUSTICE</u>				
OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PROGRAM (OJJDP)				
PAL-National Mentoring Program	16.726		\$ 16,191	\$ -
Total Office of Justice Juvenile Delinquency Prevention			\$ 16,191	\$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,315,902	\$ 1,224,632

CITY OF PHARR, TEXAS

*SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018*

Grantor/ Program Title	Grant Number	Expenditures
<u>STATE CRIMINAL JUSTICE PLANNING</u>		
STOP Failure to Attend School FY 16/17	2016-JF-FX-0008	-
SF-State Criminal Justice Plannin (421) Fund/First Offender	SF-ST-0015	2,765
BC-Body Worn Camera Program 2016	2016-BC-ST-0020	-
Total STATE CRIMINAL JUSTICE PLANNING		<u>2,765</u>
<u>STATE CRIMINAL JUSTICE PLANNING</u>		
STOP Failure to Attend School	SF-14-J20-2546802	\$ 0.02
SF-State Criminal Justice Planning (421) Fund		\$ 2,765
Total State Criminal Justice Planning		<u>\$ 2,765</u>
<u>TEXAS DEPARTMENT OF MOTOR VEHICLES</u>		
STEP Comprehensive Grant	IDM-00005	\$ 13,218
South Texas Auto Theft Enforcement Task Force	608-16-0310100	\$ 45,807
Total Texas Department of Transportation		<u>\$ 59,025</u>
<u>TEXAS OFFICE OF THE ATTORNEY GENERAL</u>		
Victims Coordinator Liasion Grant (VCLG)	1880426	\$ 40,950
		<u>\$ 40,950</u>
<u>TEXAS DIVISION OF EMERGENCY MANAGEMENT</u>		
Tifmas Reimbursement Grant	Category B	\$ 10,772
Total Texas Division of Emergency Management		<u>\$ 10,772</u>
<u>TEXAS OFFICE OF THE GOVERNER - CRIMINAL JUSTICE DIVISION (CJD)</u>		
BG-Rifle Resistant Body Armor Grant Program (BAGP)	2018-BG-ST-0025	\$ 34,800
NB-National Incident-Based Reporting System (NIBRS)	2017-NB-ST-0024	\$ -
BC-Body Worn Camera (BWC) Program	2016-BC-ST-0020	\$ -
Total Passed Through Texas Office of the Governer-Criminal Justice Division (CJD)		<u>\$ 34,800</u>
<u>TEXAS WATER DEVELOPMENT BOARD</u>		
Regional Water and Wastewater Facilities Planning (2020)	1004831080	\$ -
Total Texas Water Development Board		<u>\$ -</u>
<u>TEXAS OFFICE OF THE GOVERNER-HOMELAND SECURITY GRANTS DIVISION (HSGD)</u>		
Local Border Security Program 2018	2018-BL-ST-0016	\$ 167,446
Total Texas Office of the Governer-Homeland Security Grants Division (HSGD)		<u>\$ 167,446</u>
<u>LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL</u>		
Regional Solid Waste Grant Program-2016	16-21-G03	\$ -
Regional Solid Waste Grant Program-2017	17-21-G01	\$ -
Total LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL		<u>\$ -</u>
<u>VALLEY BAPTIST LEGACY FOUNDATION</u>		
Collarborative Grant 2017	Local	\$ 191,531
Total VALLEY BAPTIST LEGACY FOUNDATION		<u>\$ 191,531</u>
TOTAL EXPENDITURES OF STATE AWARDS		<u>\$ 507,290</u>
TOTAL EXPENDITURES OF FEDERAL & STATE AWARDS		<u>\$ 2,823,192</u>

City of Pharr, Texas
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended September 30, 2018

1. General Statement

The accompanying Schedule of Expenditures of Federal/State Awards (Schedule) presents the activity of all the federal awards of the City of Pharr, Texas. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). The City's reporting entity is defined in Note I.B. to the City's basic financial statements. All federal awards received directly from Federal agencies and state and federal awards passed through state agencies are included on the Schedule. Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position or changes in net position of City of Pharr, Texas.

2. Measurement Focus and Basis of Accounting

The federal and state grant funds were accounted for in the Grant Fund, a governmental fund type, and in an enterprise fund. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using a current financial resources measurement focus. With the governmental fund type measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the governmental fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measureable and available, and expenditures in the accounting period in which the fund liability is incurred, if measureable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Federal and state grant funds are generally considered earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received they are recorded as deferred revenues until earned.

The City has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Relationship to Federal Financial Status Reports

Amounts reported on the Schedule may not agree with the amounts reported in the related Federal/State financial status reports filed with grantor agencies, because of the effect of accruals made in the Schedule.

CITY OF PHARR, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

SECTION I - SUMMARY OF AUDITOR RESULTS - CURRENT FISCAL YEAR

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued UNMODIFIED

Internal control over financial reporting:

- One or more material weakness identified? YES X NO
- One or more significant deficiencies identified that are not considered to be material weaknesses? X YES NO

Noncompliance material to financial statements noted? YES X NO

2. Federal Awards

Internal control over major programs:

- One or more material weakness identified? YES X NO
- One or more significant deficiencies identified that are not considered to be material weaknesses? X YES NONE

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance? YES X NO

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
11.307	Economic Adjustment Assistance
14.218	Community Development Block Grants/Entitlement Grants

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

Auditee qualified as low-risk auditee? X YES NO

SECTION I - SUMMARY OF AUDITOR RESULTS - CURRENT FISCAL YEAR - Continued

A. Summary of Auditor's Results - Continued

3. State Awards

Internal control over major programs:

- | | | |
|--|-------------------|----------------------------|
| • Material weakness identified? | <u> </u> YES | <u> X </u> NO |
| • Significant deficiencies identified that are not considered to be material weaknesses? | <u> </u> YES | <u> X </u> NONE REPORTED |

Type of auditor's report issued on compliance for major programs: NOT APPLICABLE

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance? YES X NO

Identification of major programs:

<u>Grant Number</u>	<u>Name of State Program or Cluster</u>
---------------------	---

NONE

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

Auditee qualified as low-risk auditee? X YES NO

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

II. FINANCIAL STATEMENT FINDINGS

Schedule Reference (2018-1) COMPLIANCE OVER FORMAL COMPETITIVE PROCUREMENT

SIGNIFICANT DEFICIENCY

Criteria: Texas Government Code, Section 252.021 established the requirements specifically relating to the monetary threshold (\$50,000) for which the formal competitive procurement process is required.

Condition: Audit procedures identified two contracts that were secured in excess of the statutory requirements. These contracts were not subjected to the formal competitive process. The first contract was classified under emergency procurement provisions as per City Commission authorization, however the overall process from start to finish (awarding the contract) took approximately eight months. The project related to a lighting project at a local park. The second contract related to advertising/production/ and promotional services. The costs for the second contract were funded by the Pharr Economic Development Corporation (PEDC).

Effect: The City did not comply with the requirements prescribed by the Government Code Section 252.021.

Cause: Personnel in the purchasing department did not monitor all purchase requisitions prior to approving the related purchase order, to ensure compliance with applicable requirements.

Recommendation: City management should constantly monitor procurement activity ongoing to ensure compliance with these requirements. In particular, those contracts that recur on a yearly basis should be monitored for compliance.

Questioned Cost: -\$0-

Schedule Reference (2018-2) COMPLIANCE OVER REQUIRED EMPLOYMENT FORM I-9

SIGNIFICANT DEFICIENCY

Criteria: Employers have certain responsibilities under immigration law during the hiring process. These requirements are set forth in the Immigration Reform and Control Act of 1986 (IRCA). Specifically, the employer is required to complete Form I-9 as provided by established instructions. The form documents the legal work status of the employee.

Condition: Audit procedures in the area of payroll identified several employees with Forms I-9 with incomplete documentation; to support that the verification occurred during the hiring process. In some cases, the Employer did not sign off on the form to document that the verification occurred.

Effect: In those specific cases, the City did not comply with Form I-9 requirements as noted above. Further, the Employer could face financial penalties for not adhering to these requirements.

Cause: Personnel completing the forms and the verification were not well versed with the documentation requirements.

Recommendation: City management should ensure that personnel that fill/complete the form on behalf of the employer are adequately trained. The human resource department should perform a comprehensive review of all files to ensure ongoing compliance with these requirements.

Questioned Cost: -\$0-

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

Schedule Reference (2018-3) COMPLIANCE OVER CASH MANAGEMENT-DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

SIGNIFICANT DEFICIENCY

Criteria: The *Compliance Supplement* contained in 2 CFR PART 200, APPENDIX issued by the Executive Office, Office of Management and Budget, establishes general compliance requirements; among them is one related to cash management (i.e. drawdown and management of federal funds).

Condition: The City administered HUD grant funds under the Community Development Block Grant (CDBG) program. For purposes of fund draw downs, Form HUD-27053, Request Voucher for Grant Funds, is required. The form provides for a certification of the funds request from the designated City official; in this case, the City Manager or his designee. Numerous draws downs and related deposit of funds were made prior to the form being signed off (certified) by the City Manager's office.

Effect: The City did not comply with cash management requirements, specific to the CDBG program.

Cause: The technical documentation requirements were not reviewed properly by management.

Recommendation: City management should ensure that federal funds are not requested until such time that the designated official has certified the form referenced above.

Questioned Cost: -\$0-

Schedule Reference (2018-4) INTERNAL CONTROL OVER MANAGEMENT OF POLICIES AND PROCEDURES RELATING TO CREDIT CARDS

SIGNIFICANT DEFICIENCY

Criteria: Chapter 9 of the City's Purchasing Manual establishes policies and procedures related to the use of credit cards. The manual stipulates that usage of the cards is for unforeseen non-routine or emergency purchases, travel related charges, meeting preparation purposes, and for use with vendors that do not accept purchase orders.

Condition: During the audit, we noted heavy monthly usage of the cards for purchases not deemed compliant with the criteria previously specified. Many of the purchases appeared routine in nature. Other issues encountered included; payment of taxes on purchases, payment of tips on meals, or no receipt at all.

Effect: Controls relating to routine purchases were not adhered to, since the purchases were made with credit cards instead of a purchase order. Additionally, historical information regarding vendor activity/transactions was not maintained in the accounting software during the year, since the credit card system oversteps the vendor payment system.

Cause: Departmental supervisory staff were not monitoring purchase activity to ensure that expenditures adhered to established policies and procedures as prescribed by the Purchasing Manual.

Recommendation: City management should implement steps for immediate compliance with Chapter 9 of the Purchasing Manual, in order to foster a stronger system of internal controls.

Questioned Cost: -\$0-

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

III. FEDERAL AWARDS FINDINGS

Schedule Reference (2018-2) COMPLIANCE OVER REQUIRED EMPLOYMENT FORM I-9

SIGNIFICANT DEFICIENCY

Criteria: Employers have certain responsibilities under immigration law during the hiring process. These requirements are set forth in the Immigration Reform and Control Act of 1986 (IRCA). Specifically, the employer is required to complete Form I-9 as provided by established instructions. The form documents the legal work status of the employee.

Condition: Audit procedures in the area of payroll identified several employees with Forms I-9 with incomplete documentation; to support that the verification occurred during the hiring process. In some cases, the Employer did not sign off on the form to document that the verification occurred.

Effect: In those specific cases, the City did not comply with Form I-9 requirements as noted above. Further, the Employer could face financial penalties for not adhering to these requirements.

Cause: Personnel completing the forms and the verification were not well versed with the documentation requirements.

Recommendation: City management should ensure that personnel that fill/complete the form on behalf of the employer are adequately trained. The human resource department should perform a comprehensive review of all files to ensure ongoing compliance with these requirements

Questioned Cost: -\$0-

Schedule Reference (2018-3) COMPLIANCE OVER CASH MANAGEMENT-DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

SIGNIFICANT DEFICIENCY

Criteria: The Compliance Supplement contained in 2 CFR PART 200, APPENDIX issued by the Executive Office, Office of Management and Budget, establishes general compliance requirements; among them is one related to cash management (i.e. drawdown and management of federal funds).

Condition: The City administered HUD grant funds under the Community Development Block Grant (CDBG) program. For purposes of fund draw downs, Form HUD-27053, Request Voucher for Grant Funds, is required. The form provides for a certification of the funds request from the designated City official; in this case, the City Manager or his designee. Numerous draws downs and related deposit of funds were made prior to the form being signed off (certified) by the City Manager's office.

Effect: The City did not comply with cash management requirements, specific to the CDBG program.

Cause: The technical documentation requirements were not reviewed properly by management.

Recommendation: City management should ensure that federal funds are not requested until such time that the designated official has certified the form referenced above.

Questioned Cost: -\$0-

City of Pharr, TX
Schedule of Prior Year Findings
Year Ended September 30, 2018

SUMMARY OF AUDITOR RESULTS – PRIOR FISCAL YEAR

Schedule Reference: (2017-1) Purchasing Policies

Type of Finding: Significant Deficiency

Criteria: The City purchasing will follow applicable procurement laws and approved City's internal purchasing procedures manual. Specifically, the purchase order process.

Condition: The purchasing procedures approved are not being followed or adhered to. Department heads responsible do not utilize purchase orders as specified in The City's purchasing policies nor do they follow approval procedures on a timely basis.

Cause: Auditor reviewed several invoices for procedures followed and found several purchase order forms being processed after the purchase was made, if processed at all. Auditor also observed that checks were disbursed based on the amount invoiced by the vendor and no purchase order was submitted nor approved by the Department Head.

Effect: Purchases were made that did not follow the proper approval procedures.

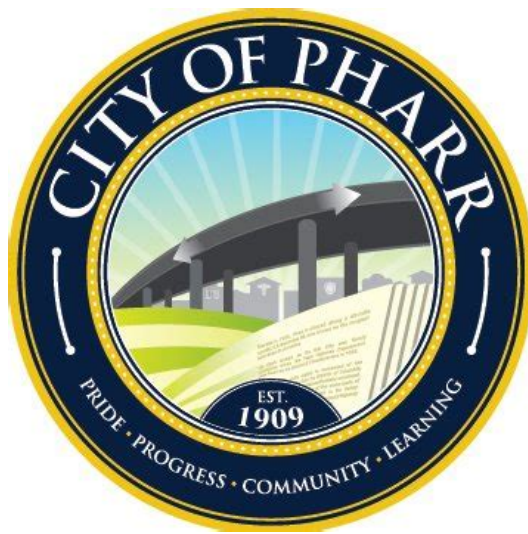
Recommendation: Purchasing policies should be followed and all purchase orders should be approved as specified in the purchasing manual.

Auditee's Response: We concur. Purchasing policies will be reviewed and updated to coincide with internal operations while continuing to maintain strong internal controls.

Current Status: Corrected

Federal Awards Findings:

None





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.D.

DATE SUBMITTED: March 15, 2019

MEETING DATE: March 18, 2019

FROM: Karla Moya, Finance Director

DEPARTMENT: Finance

DIRECTOR:

Agenda Item: Submission of Quarterly Report for period ending December 30, 2018.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: As part of City Fiscal Transparency, city financial reports are prepared on a quarterly basis in order to maintain informed our citizens and city commission.

This report is preliminary and unaudited and prepared by Finance Department.

This report is quarter ending December 30, 2018.

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Karla Moya
City Management Office

Created/Initiated - 3/15/2019
Final Approval - 3/15/2019

1st Quarter Financial Report

DECEMBER 2018

City of Pharr

Authored by: Karla Saavedra & Finance Department





Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

March 18, 2019

Mayor
City Commissioners
Citizens of Pharr

The comprehensive quarterly financial report was compiled for the purpose of updating the City's elected officials and executive staff on the fiscal health of the City.

All City fiscal data is not included in this report, only the selected major activities whose drastic change could adversely affect the City's ability to meet its obligations to the vendors, staff, and citizens.

This is the Finance Department's effort to provide timely, reliable, and transparent fiscal information so that decision makers will have up to date data to base their decisions on.

This report has been updated and prepared by the Finance Department. The figures in this report, based on the cost/benefit principle, are accurate. This report could not have been compiled without the cooperation of all of the City's Directors and City Manager. This is truly a team effort.

Should you have any questions concerning this matter, please feel free to contact me at (956) 402-4150 ext. 1907 or via email at karla.moya@pharr-tx.gov.

Respectfully,

Karla Saavedra, CGFO
Finance Director

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DETAIL OF CHANGES & TRENDS



CITY OF PHARR

DETAIL OF CHANGES AND TRENDS

December 31, 2018

FINANCIAL STATEMENTS – GOVERNMENTAL FUNDS:

Unaudited Balance Sheet:

At the end of this quarter, the General Fund had a fund balance of \$25.8 million with an unassigned amount of \$11.7 million. PEDC had a fund balance of \$6.7 million and Capital Projects had a fund balance of \$37.7 million.

Unaudited Statement of Revenues, Expenditures, and changes in Fund balance:

The General Fund expenses exceeded revenues by \$232,683 mainly due to an increase in spending among departments, (mainly salaries, insurance, economic incentives, capital outlay and principal payment of current leases), and decrease on Municipal Court collections. PEDC revenues exceeded expenses by \$682,135, due to the good manage of the budget and the increase on Sale Taxes.

FINANCIAL STATEMENTS - PROPIETARY FUNDS:

Unaudited statement of net position:

At the end of this quarter, Utility fund had a total net position of \$92.4 million, Bridge fund had \$21.9 million, \$3.7 million for Golf fund, and \$3.7 million for Event Center.

Unaudited Statement of Revenues, Expenditures, and changes in net position:

Utility fund had an increase in net position of \$1.4 million and a debt-service coverage ratio of 1.02, Bridge fund showed a \$1.2 million increase in net position and the Event Center showed a loss of \$6,188 dollars this quarter and golf course had an increase in net position of \$24 thousand.

GENERAL FUND:

Revenues:

Property tax and sales tax are budgeted at 31% and 27% respectively of our budget, a collection increase of 6% in Property taxes a 16% increase in sales taxes compared with last year.

Expenditures:

At the end of the 1st quarter, most departments stayed within their budgeted expenditures, with total expenditures being at 24% of budget. City Manager's office, Public Works were the department that were slightly overbudget. City Manager office had additional expenses due to the addition of our new city manager. Public works had an increase in expenses due to more equipment and supplies were needed it for street renovations and maintenance.

Comparison from last year:

Revenues show a 65% decrease this quarter mainly due to the debt proceeds received last year from the issuance of Certificates of Obligations and the 30% decrease in municipal court collections.

Summary:

The City's property tax and sales tax collections continue to show an upward trend compared to last year. This is mainly attributed to current year collections from increased sales taxes. Most departments are below or within their budget thanks to better budget management from department heads.

UTILITY FUND:**Revenues:**

Water and sewer usage make up 87% of the budget. Water revenue and sewer revenues met their budget collection.

Expenses:

At the end of this quarter, all department expenses are within budget except for water billing department, due to increase expenditures in postage, building and equipment maintenance and bank service charges.

Comparison from last year:

Revenues in the Utility fund continue are showing a decrease in comparison to last year first quarter, but thanks to good management of expenses the fund its been able to sustain the loss.

Summary:

The Utility's major revenues are slightly lower due to a decrease in water and sewer collections.

BRIDGE FUND:**Revenues:**

Toll collections are budgeted at 24% of total budget. Toll collections show an increase of 2% compared to last year and trucks and cars crossings combine are showing a 6% increase this year.

Expenses:

At the end of this quarter, all expenses were within their budget, with total expenditures being at 16% of budget.

Comparison from last year:

Overall expenses are 35% lower than last year 1st quarter because we had an upgrade in our toll ticket system and that increase expenses last year, also the new capital lease and other contractual and special services expenses.

Summary:

Even though crossings have been consistently increasing in comparation from last year, Bridge crossing must be monitored closely. Overall, the Bridge Fund is healthy.

PEDC FUND:**Revenues:**

Sales Tax collections are budgeted at 26% of total budget. Compared to last year, sales tax collections are higher by 16%.

Expenses:

At the end of the quarter, PEDC total expenditures are at 16%. Most expenses were below or at their annual budget, except for contract services.

Comparison from last year:

Overall expenses are 61% lower than last year due decrease in program incentives in comparison with last year.

Summary:

PEDC's budget has been effectively managed throughout the course of the quarter. However, PEDC's expenses must be closely monitored to avoid going over their budget.

STATEMENT OF AVAILABLE RESOURCES**GENERAL FUND:**

General fund cash flow is at \$7.7 million. Available resources as of December 31, 2018 are 6.7 million.

UTILITY FUND:

Utility fund cash flow is at \$979 thousand. Current available resources are negative \$296.

BRIDGE FUND:

Bridge fund cash flow is lower due to Construction payments made for Bridge Improvements. Current available resources are negative \$700 thousand. Bridge needs to carefully prioritize what is needed for operations to keep a healthy fund with available resources.

PEDC FUND:

PEDC fund cash flow is at \$2.6 million and current available resources are \$2.5 million.

HIDALGO COUNTY PROPERTY TAX ASSESOR & COLLECTOR REPORT

Current property taxes collections per what we have received from the County are higher this quarter by 0.21%. Total collected reported by County is \$7,268,981.67. Delinquent property Tax collections are lower this quarter by -1.02%. Total amount collected to date is \$151,540.21.

ANALYSIS OF MAJOR REVENUE SOURCES**CURRENT PROPERTY TAX-CASH BASIS**

Current tax collections are higher this year than last year by 7% or approximately \$360 thousand. Total collected up to this quarter is \$5.8 million compared to \$5.5 million.

DELINQUENT PROPERTY TAX-CASH BASIS

Delinquent tax collections are lower this quarter by 14% or approximately \$23 thousand. The total collected this quarter is \$142 thousand compared to \$166 from last year.

ANNUAL SALES TAX ACTIVITY ANALYSIS – FY 17/18

This activity is based on cash basis. The difference is two months of collections. To date, City's sales tax collection is 16% HIGHER than last year.

SALES TAX STATE RGV COMPARISON

Pharr's sales tax rank comparison to the other Rio Grande Valley cities is at 7th place out of 10 other cities based on current month collection activity. Pharr's rank based on calendar year collection is 1st place out of 10 other valley cities.

UTILITY REVENUE ACTIVITY ANALYSIS-WATER & SEWER

Water collection show a decrease in collections compared to last year's quarter. This quarter is showing a decrease of 1% (around \$80,546) in collected revenue compared to last year's quarter. Sewer collected revenue decrease this quarter by 1% (roughly \$14,277).

UTILITY REVENUE ACTIVITY ANALYSIS-GARBAGE AND BRUSH

Garbage Collected revenue has increased by 1% compared to last year's activity. Brush collections increase by 1%.

PHARR INTERNATIONAL BRIDGE TOLL COLLECTIONS

Collections this quarter have increased by 1% (88,545). Car crossings have increase by 6% compared to last year's quarter, and commercial crossings (trucks) increased by 1%.

MUNICIPAL COURT COLLECTIONS

Municipal court collections have decreased by 33% compared to this time last year. This is primarily due to less crime and citations served and collected.

PHARR EVENT CENTER

Revenues:

Event Center revenue increased 6% compared to last fiscal year mainly due to transfers in received from the city's General Fund.

Expenses:

Event Center expenses are 6% higher than last year mainly due to increase in personnel expenses.

HOTEL/MOTEL OCCUPANCY TAX ANALYSIS

Hotel/Motel Tax Collections shows an increase of 6% compared to last year.

TRANSFERS

- Transfer outs from General fund are contributions to General CIP Fund, to cover for Golf and Event Center operations.
- Transfers from Utilities are mainly for the Utilities CIP projects and for General Fund administrative expenses
- Transfers from Bridge are to balance General Fund operations and to contribute for City Incentive agreements

CIP ACTIVITY ANALYSIS-QUARTERLY UPDATE

BRIDGE:

The Bridge has three capital projects planned underway. All three projects are in engineering phase.

UTILITY:

The Utility fund has 7 capital projects, including a new lift station and improvements along Moore Road. These projects have started and are in currently in progress.

GENERAL CAPITAL PROJECTS

The General Capital Projects fund has 32 capital projects including the Fire Station No. 4, Civic Center Renovations, improvements to various city parks and several street projects. The city is currently in its 4-year repaving program.

DEBT: ISSUED & STATUS-QUARTERLY UPDATE

OUTSTANDING DEBT ISSUANCES

General Fund: There are currently two Certificates of Obligation outstanding (series 2016 and series 2017), and on outstanding Tax Notes (series 2017) for a total of outstanding debt to \$35.3 million. There is one General Obligation Refunding Bond (series 2015B) with a total outstanding debt of \$4.08 million.

Bridge Fund: There is one Revenue Refunding Bond outstanding (series 2015A) with a total outstanding debt of \$2.6 million.

Utility Fund: There are currently four Revenue Bonds outstanding (series 2007A, 2007B, series 2013 and series 2015) with a total outstanding debt of 23.0 million. The utility fund has one General Obligation Refunding Bond (series 2017) with a total outstanding debt of \$15.4 million. Series 2008 Revenue Refunding Bonds has been paid off.

Community Development Grant: This issuance will be completed in 2031 but can be repaid with our current debt reserves. Currently \$3.8 million is outstanding.

PEDC: Certificates of Obligations 2012 was issued in the name of the City but is being paid by PEDC. All activity is normal. The outstanding balance is \$4,735,000, this issuance will be completed in 2022.

Currently another \$8.2 million is outstanding which includes a \$3,227,588 line of credit and a \$4,985,233 loan with Lonestar National Bank LN#257250.

OUTSTANDING CAPITAL LEASES/BANK LOANS

There are currently 15 outstanding capital. The liability ownership for the leases is distributed between the following funds: General, Utility, Golf, Bridge and Garage. Current balance on all the leases is \$10.7 million.

INVESTMENT REPORT-QUARTERLY UPDATE

INVESTMENT REPORT SUMMARY

This report complies with all provisions of the Public Funds Investment Act and the City of Pharr's Investment policy.

DETAILED INVESTMENT REPORT

The City has \$83.5 million in book market value in investments (including depository accounts).

COMPARISON OF PORTFOLIO TO POLICY LIMITS

The City is within all portfolio caps created in the City's Investment Policy. The caps are identified in "Types of securities, Limits on Maturities, and Days to Maturity.

MARKET VALUE ANALYSIS

The market value of our portfolio is at 100% of book value. Book value identifies actual costs. Market value identifies the cost/value of the investments if they were to put on the market for resale.

CALCULATION OF WEIGHTED AVERAGE MATURITY AND YIELD

Weighted average maturity is 6 days. This average is within our Investment Policy caps. This is the amount of days on average that our investments mature. Weighted average yield is 0.22%, the average yield of our investments. This average is better than our benchmarks.

YEAR TO DATE INVESTMENT TRANSACTION REPORT

No investment matured this quarter.

DEPOSITORY SECURITY COLLATERAL ANALYSIS

All funds were properly collateralized by at the end of the month.



FISCAL ACTIVITY



CITY OF PHARR, TEXAS
BALANCE SHEET - UNAUDITED, UNADJUSTED, AND PRELIMINARY
GOVERNMENTAL FUNDS
FOR QUARTER ENDING DECEMBER 31, 2018

	General	Pharr Economic Development Corporation, Inc.	Capital Projects
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
Cash	\$ 6,341,548	\$ 2,721,767	\$ 2,664,702
Investments	10,920,389	-	-
Receivables (net of allowance for uncollectible):			
Property taxes	1,821,586	-	-
Warrants	7,516,866	-	-
Sales tax	2,502,816	834,272	-
Notes	-	2,050,186	-
Accounts	624,681	46,807	-
Intergovernmental	207,301	-	-
Other	5,599,474	107,600	-
Inventories	1,026,573	-	-
Land Available for Sale	-	2,848,917	-
Due from other funds	273,877	-	-
Restricted assets:			
Cash	-	289,922	35,201,112
Cash with Fiscal Agent	2,163,114	-	581,578
Intergovernmental receivable	-	-	172,962
Total assets	\$ <u>38,998,225</u>	\$ <u>8,899,471</u>	\$ <u>38,620,353</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$ 1,008,671	\$ 42,757	\$ 443,747
Due to other funds	200	47,184	-
Escrow accounts	2,156,287	27,732	469,723
Total liabilities	<u>3,165,158</u>	<u>117,673</u>	<u>913,470</u>
Deferred Inflows of Resources:			
Deferred property tax	1,821,586	-	-
Deferred accounts	624,681	-	-
Deferred warrants	7,516,866	-	-
Deferred notes	-	2,050,186	-
Deferred revenue	8,452	-	-
Total deferred inflow of resources	<u>9,971,585</u>	<u>2,050,186</u>	<u>-</u>
Fund balances:			
Nonspendable:			
Inventory	1,026,573	2,848,917	-
Restricted:			
Economic development	-	3,882,695	-
Committed:			
Contingency	10,920,389	-	-
Assigned:			
Construction	-	-	37,706,883
Capital Outlay	2,163,114	-	-
Unassigned:	11,751,406	-	-
Total fund balances	<u>25,861,482</u>	<u>6,731,612</u>	<u>37,706,883</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>38,998,225</u>	\$ <u>8,899,471</u>	\$ <u>38,620,353</u>

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - UNAUDITED, UNADJUSTED, AND PRELIMINARY
FOR QUARTER ENDING DECEMBER 31, 2018

		General	Pharr Economic Development Corporation, Inc.	Capital Projects
REVENUES				
Taxes:				
Property	\$	5,318,791	\$ -	\$ -
Sales		3,728,081	1,242,694	-
Franchise		91,171	-	-
Licenses and permits		169,455	-	-
Intergovernmental		60,099	-	-
Fees and charges:				
Sanitation		696,896	-	-
Brush		371,407	-	-
Other		173,278	-	-
Fines		140,859	-	-
Interest income		26,933	22,516	-
Other		199,849	51,570	-
Total revenues	\$	<u>10,976,820</u>	<u>\$ 1,316,780</u>	<u>\$ -</u>
EXPENDITURES				
Current:				
General government	\$	2,497,891	\$ -	\$ 9,500
Public safety		5,397,892	-	987,552
Highways and streets		1,087,722	-	253,002
Health and welfare		482,924	-	-
Culture and recreation		1,299,050	-	3,148,153
Economic development		-	482,918	3,360
Debt service:				
Principal		410,544	224,063	232,673
Interest		33,480	120,752	69,356
Total expenditures		<u>11,209,503</u>	<u>827,733</u>	<u>4,703,596</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(232,683)</u>	<u>489,047</u>	<u>(4,703,596)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		2,558,593	296,125	18,545,575
Transfers (out)		(18,817,411)	(447,607)	(1,100,000)
Issuance of debt		18,488,204	-	-
Total other financing sources and uses		<u>2,229,386</u>	<u>(151,482)</u>	<u>17,445,575</u>
SPECIAL ITEMS				
Loss on land available for sale		-	(918)	-
Total special items		<u>-</u>	<u>(918)</u>	<u>-</u>
Net change in fund balance		1,996,703	336,647	12,741,979
Fund balance - beginning		23,862,197	6,394,963	24,964,904
Prior period adjustment		2,582	-	-
Fund balance - ending	\$	<u>25,861,482</u>	<u>\$ 6,731,612</u>	<u>\$ 37,706,883</u>

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION - UNAUDITED, UNADJUSTED, AND PRELIMINARY
PROPRIETARY FUNDS
FOR QUARTER ENDING DECEMBER 31, 2018

		PROPRIETARY FUNDS			
		Utility	Toll Bridge	Golf	Event Center
<u>ASSETS</u>					
Current assets:					
Cash		\$ 4,294,392	\$ 6,040,660	\$ 285,526	\$ 222,755
Receivables (net of allowance for uncollectible):					
Accounts		2,563,958	173,136	-	-
Other		1,617	47,140	24,068	263,581
Inventories		138,421	-	22,637	71,982
Restricted assets:					
Cash		8,106,449	149,301	-	-
Cash with Fiscal Agent		1,962,787	1,480,462	335,731	-
Total current assets		<u>17,067,623</u>	<u>7,890,700</u>	<u>667,962</u>	<u>558,318</u>
Capital assets (net of accumulated depreciation):					
Water Rights		3,450,000	-	-	-
Land		814,236	819,645	999,342	785,224
Buildings		10,894,477	1,349,704	313,819	2,367,221
Improvements other than buildings		617,967	149,190	1,992,621	101,603
Machinery and equipment		2,159,031	2,513,934	190,213	19,822
Infrastructure		97,179,071	12,364,948	23,513	-
Construction in progress - Utility		4,418,867	-	-	-
Construction in progress - Bridge		-	1,996,082	-	-
Total capital assets, net of accumulated depreciation		<u>119,533,649</u>	<u>19,193,503</u>	<u>3,519,509</u>	<u>3,273,871</u>
Total noncurrent assets		<u>119,533,649</u>	<u>19,193,503</u>	<u>3,519,509</u>	<u>3,273,871</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>					
Unamortized gain / loss on refunding of debt		260,648	9,219	-	-
Total deferred outflow of resources		<u>260,648</u>	<u>9,219</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflow of resources		\$ <u>136,861,920</u>	\$ <u>27,093,422</u>	\$ <u>4,187,472</u>	\$ <u>3,832,189</u>

		PROPRIETARY FUNDS			
		Utility	Toll Bridge	Golf	Event Center
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable	\$	170,660	\$ -	\$ 1,939	\$ 11,210
Accrued liabilities		-	31,683	-	-
Unearned revenue		-	197,986	50,115	38,510
Total current liabilities payable		<u>170,660</u>	<u>229,669</u>	<u>52,054</u>	<u>49,720</u>
Current liabilities payable from restricted assets:					
Customer deposits payable		483,348	-	-	-
Escrow payable		106,909	-	-	-
Matured accrued compensation		105,651	43,745	19,543	14,732
Matured capital lease		206,736	458,682	48,571	-
Matured bonds/notes, net		<u>3,084,000</u>	<u>625,000</u>	<u>-</u>	<u>-</u>
Total current liabilities payable from restricted assets		<u>4,040,644</u>	<u>1,127,427</u>	<u>68,114</u>	<u>14,732</u>
Total current liabilities		<u>4,211,304</u>	<u>1,357,096</u>	<u>120,169</u>	<u>64,452</u>
Noncurrent liabilities:					
Accrued compensation		316,952	131,236	58,630	44,195
Capital lease payable		1,493,972	1,325,132	244,751	-
Bonds/notes principal payable		<u>35,373,000</u>	<u>2,015,000</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities		<u>37,183,925</u>	<u>3,471,368</u>	<u>303,381</u>	<u>44,195</u>
<u>DEFERRED INFLOW OF RESOURCES</u>					
Unamortized premium		<u>3,171,239</u>	<u>136,463</u>	<u>-</u>	<u>-</u>
Total deferred inflow of resources		<u>3,171,239</u>	<u>136,463</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflow of resources		<u>44,566,468</u>	<u>4,964,928</u>	<u>423,550</u>	<u>108,647</u>
<u>NET POSITION</u>					
Invested in capital assets, net of related debt		77,626,639	14,583,059	3,226,187	3,273,871
Restricted for:					
Debt service		4,828,814	1,047,658	-	-
Capital Equipment/Projects		4,423,561	1,480,462	335,731	-
Unrestricted		<u>5,416,438</u>	<u>5,017,315</u>	<u>202,004</u>	<u>449,672</u>
Total net position	\$	<u>92,295,452</u>	<u>22,128,494</u>	<u>3,763,922</u>	<u>3,723,542</u>

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - UNAUDITED, UNADJUSTED, AND PRELIMINARY
FOR QUARTER ENDING DECEMBER 31, 2018

		PROPRIETARY FUNDS			
		Utility	Toll Bridge	Golf	Event Center
Operating revenues:					
Charges for sales and services:					
Water sales	\$	1,896,064	\$ -	\$ -	\$ -
Sewer service		1,397,915	-	-	-
Tap fees		88,632	-	-	-
Toll fees		-	3,465,690	-	-
Golf services		-	-	195,865	-
Concession		-	-	9,824	112,552
Other		1,490	74,300	19,321	57,300
Total operating revenues		3,384,101	3,539,990	225,011	169,852
Operating expenses:					
Personnel services		865,828	304,294	198,820	104,823
Supplies and Materials		248,383	35,805	34,938	39,836
Contractual Services		960,776	496,360	137,978	47,959
Total operating expenses		2,074,987	836,459	371,737	192,618
Operating income (loss)		1,309,114	2,703,531	(146,727)	(22,766)
Nonoperating revenues (expenses):					
Investment earnings		29,988	23,525	2,278	655
Interest expense		(12,500)	(8,702)	(4,389)	-
Intergovernmental		-	-	-	-
Other		4,652	200,060	-	1,528
Total nonoperating revenues (expenses)		22,140	214,883	(2,111)	2,183
Income/loss before contributions and transfers		1,331,254	2,918,414	(148,838)	(20,583)
Transfers in		65,600	18,700	142,650	44,911
Transfers (out)		(131,100)	(1,538,425)	-	-
Changes in net position		1,265,754	1,398,689	(6,188)	24,328
Total net position - beginning		91,018,103	20,729,806	3,770,109	3,699,214
Prior period adjustment		11,595	-	-	-
Total net position - ending	\$	92,295,452	\$ 22,128,494	\$ 3,763,922	\$ 3,723,542

**** Note:

Debt Coverage Ratio	
Total operating revenues	\$ 3,335,877
Total operating expenses	2,062,487
Total net revenues	\$ 1,273,390
2019 outstanding utility debt	\$ 4,585,223
1st quarter allocation of debt	\$ 1,146,306
Debt service coverage ratio ≥ 1.10	1.11



CITY OF PHARR
GENERAL LEDGER STATUS REPORT
NON AUDITED BUDGET VS. ACTUAL
FOR PERIOD ENDING DECEMBER 31, 2018
GENERAL FUND

	FY 18/19		PERCENT OF BUDGET	BALANCE	FY 17/18		--Variance--	
	ORIGINAL BUDGET	Y-T-D ACTUAL			Y-T-D ACTUAL	Prior FY Y-T-D Actual	Amount	Percent
REVENUES								
PROPERTY TAXES	\$ 17,180,900	\$ 5,318,791	31%	\$ (11,862,109)	\$ 5,318,791	\$ 5,035,530	\$ 283,261	6%
SALES TAX	13,962,700	3,728,081	27%	(10,234,619)	3,728,081	3,206,846	521,236	16%
OTHER TAXES	190,000	-	0%	(190,000)	-	-	-	0%
FRANCHISE FEES	2,443,100	251,356	10%	(2,191,744)	251,356	153,818	97,537	63%
RENTAL FEES	491,000	80,285	16%	(410,715)	80,285	57,895	22,390	39%
SANITATION FEES	3,277,300	704,846	22%	(2,572,454)	704,846	713,581	(8,735)	-1%
DEBRIS & BRUSH FEES	1,232,700	374,642	30%	(858,058)	374,642	295,651	78,990	27%
MUNICIPAL COURT FEES AND FINES	1,168,100	157,223	13%	(1,010,877)	157,223	225,719	(68,495)	-30%
OTHER FINES AND FEES	267,400	39,759	15%	(227,641)	39,759	44,338	(4,578)	-10%
BUILDING PERMITS	430,000	95,238	22%	(334,762)	95,238	107,011	(11,773)	-11%
OTHER LICENSES AND PERMITS	552,100	89,250	16%	(462,850)	89,250	107,313	(18,063)	-17%
RECREATION	318,100	19,604	6%	(298,496)	19,604	29,998	(10,394)	-35%
INTERFUND TRANSFERS IN	9,168,500	2,558,593	28%	(6,609,907)	2,558,593	3,121,675	(563,082)	-18%
SERVICE FEES	659,900	174,348	26%	(485,552)	174,348	185,589	(11,240)	-6%
OTHER FINANCING SOURCES*	1,037,000	383,204	37%	(653,796)	383,204	26,732,123	(26,348,919)	0%
TOTAL REVENUES	52,378,800	13,975,220	27%	(38,403,580)	13,975,220	40,017,085	(26,041,865)	-65%
EXPENDITURES								
CITY MANAGER'S OFFICE	1,437,300	392,178	27%	1,045,122	392,178	255,326	(136,852)	-54%
FINANCE DIRECTOR'S OFFICE	649,800	158,590	24%	491,210	158,590	128,144	(30,447)	-24%
POLICE DEPARTMENT	15,030,800	3,641,254	24%	11,389,546	3,641,254	3,503,258	(137,996)	-4%
PURCHASING	285,800	61,815	22%	223,985	61,815	26,783	(35,032)	-131%
MUNICIPAL COURT	576,600	124,592	22%	452,008	124,592	124,251	(341)	0%
FIRE DEPARTMENT	6,969,700	1,550,845	22%	5,418,855	1,550,845	1,422,164	(128,681)	-9%
STREET MAINTENANCE	4,702,800	1,226,932	26%	3,475,868	1,226,932	1,096,339	(130,593)	-12%
INFORMATION TECHNOLOGY	1,989,100	303,657	15%	1,685,443	303,657	257,521	(46,136)	-18%
MEDIA	323,900	71,577	22%	252,323	71,577	53,172	(18,405)	-35%
MUNICIPAL LIBRARY	1,563,500	317,233	20%	1,246,267	317,233	245,488	(71,745)	-29%
GRANTS MANAGEMENT	245,100	55,749	23%	189,351	55,749	54,068	(1,680)	-3%
PARKS & RECREATION	4,919,700	994,803	20%	3,924,897	994,803	756,695	(238,109)	-31%
COMMUNICATION	1,365,600	324,823	24%	1,040,777	324,823	74,310	(250,513)	-337%
HUMAN RESOURCES	602,200	118,503	20%	483,697	118,503	89,287	(29,216)	-33%
DEVELOPMENT SERVICES	1,478,000	400,250	27%	1,077,750	400,250	270,864	(129,387)	-48%
ENGINEERING	625,000	139,486	22%	485,514	139,486	119,608	(19,879)	-17%
SANITATION PRIVATIZATION	2,047,900	320,966	16%	1,726,934	320,966	316,668	(4,298)	-1%
DEBRIS COLLECTION EXPENSE	713,900	116,176	16%	597,724	116,176	113,029	(3,147)	-3%
STREET LIGHTS	550,000	131,472	24%	418,528	131,472	129,372	(2,100)	-2%
OTHER TRANSFERS OUT*	3,145,800	1,255,811	40%	1,889,989	1,255,811	20,718,873	19,463,062	94%
OTHER NON-DEPARTMENTAL EXP	3,156,300	668,184	21%	2,488,116	668,184	11,317,114	10,648,930	94%
TOTAL EXPENDITURES	52,378,800	12,374,897	24%	40,003,903	12,374,897	41,072,333	28,697,436	70%
REVENUE OVER/(UNDER EXPENDITURES)	<u>\$ -</u>	<u>\$ 1,600,323</u>		<u>\$ 1,600,323</u>	<u>\$ 1,600,323</u>	<u>\$ (1,055,248)</u>	<u>\$ 2,655,571</u>	

CITY OF PHARR
GENERAL LEDGER STATUS REPORT
NON AUDITED BUDGET VS. ACTUAL
FOR PERIOD ENDING DECEMBER 31, 2018

UTILITY FUND

	FY 18/19				FY 17/18				--Variance--
	ORIGINAL BUDGET	Y-T-D ACTUAL	PERCENT OF BUDGET	BALANCE	Y-T-D ACTUAL	Prior FY Y-T-D Actual	Amount	Percent	
REVENUES									
WATER REVENUES	\$ 7,861,500	\$ 1,889,185	24%	\$ (5,972,315)	\$ 1,889,185	\$ 1,966,226	\$ (77,041)	-4%	
SEWER REVENUE	5,701,400	1,411,026	25%	(4,290,374)	1,411,026	1,434,169	(23,143)	-2%	
INTEREST EARNED	70,000	28,958	41%	(41,042)	28,958	28,958	-	0%	
OTHER REVENUES	25,400	6,142	24%	(19,258)	6,142	1,560	4,582	294%	
FINANCING/DEBT FUNDS	859,400	-	0%	(859,400)	-	-	-	0%	
TOTAL REVENUES	14,517,700	3,335,310	23%	(11,182,390)	3,335,310	3,430,913	(95,602)	-3%	
EXPENDITURES									
BOND DEBT SERVICE EXPENSE	4,424,200	300	0%	4,423,900	300	300	-	0%	
ADMINISTRATION EXP	783,700	209,053	27%	574,647	209,053	166,790	(42,264)	-25%	
WATER PRODUCTION	1,878,900	563,581	30%	1,315,319	563,581	445,006	(118,576)	-27%	
WATER DISTRIBUTION EXP	3,213,800	496,135	15%	2,717,665	496,135	413,081	(83,053)	-20%	
SEWER PLANT EXP	2,347,300	479,515	20%	1,867,785	479,515	515,604	36,089	7%	
SEWER LIFT STATIONS	415,600	98,142	24%	317,458	98,142	52,340	(45,802)	-88%	
NON-DEPARTMENTAL EXP	1,454,200	324,220	22%	1,129,980	324,220	270,436	(53,783)	-20%	
TOTAL EXPEDITURES	14,517,700	2,170,945	15%	12,346,755	2,170,945	1,863,557	(307,389)	-16%	
REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ 1,164,365		\$ 1,164,365	\$ 1,164,365	\$ 1,567,356	\$ (402,991)		

Debt Coverage Ratio:	
Revenues	\$ 3,335,310
Operating Expenses	\$ 2,067,238
Net Revenues	\$ 1,268,072
Maximum Debt	\$ 1,146,306
Debt Coverage Ratio	1.11 <---Must be => 1.00

CITY OF PHARR
GENERAL LEDGER STATUS REPORT
NON AUDITED BUDGET VS. ACTUAL
FOR PERIOD ENDING DECEMBER 31, 2018

PEDC II	FY 18/19				FY 17/18				--Variance--
	ORIGINAL BUDGET	Y-T-D ACTUAL	PERCENT OF BUDGET	BALANCE	Y-T-D ACTUAL	Prior FY Y-T-D Actual	Amount	Percent	
REVENUES									
SALES TAX	\$ 4,693,100	\$ 1,242,694	26%	\$ (3,450,406)	\$ 1,242,694	\$ 1,068,949	\$ 173,745	16%	
RENTAL INCOME	65,600	1,980	3%	(63,620)	1,980	1,980	-	0%	
INTEREST EARNED	65,000	22,516	35%	(42,484)	22,516	24,146	(1,629)	-7%	
MISC. INCOME	-	10,360	0%	10,360	10,360	12,655	(2,295)	-18%	
FINANCING / DEBT PROCEEDS	213,000	-	0%	(213,000)	-	-	-	0%	
LOAN REVENUE	518,000	39,152	8%	(478,848)	39,152	67,471	(28,319)	-42%	
SALE OF LAND/PROPERTY	400,000	224,665	56%	(175,335)	224,665	-	224,665	0%	
CHAMBER REVENUES	90,000	-	0%	(90,000)	-	-	-	0%	
TRANSFER IN - GENERAL FUND	1,161,100	279,025	24%	(882,075)	279,025	290,275	(11,250)	-4%	
TRANSFER IN - HOTEL / MOTEL	68,400	17,100	25%	(51,300)	17,100	17,100	-	0%	
TOTAL REVENUES	7,274,200	1,837,492	25%	(5,436,708)	1,837,492	1,482,575	354,917	24%	
EXPENDITURES									
PERSONNEL	867,400	137,359	16%	730,041	137,359	177,742	40,383	23%	
SUPPLIES & MATERIALS	31,000	2,169	7%	28,831	2,169	8,672	6,504	0%	
BUILDING & EQUIPMENT	78,500	13,836	18%	64,664	13,836	27,408	13,573	0%	
EQUIPMENT RENTALS	5,200	1,049	20%	4,151	1,049	103	(946)	-916%	
UTILITIES	19,000	2,346	12%	16,654	2,346	3,954	1,609	41%	
AUTOMOTIVE	4,000	1,485	37%	2,515	1,485	1,662	177	11%	
GAS & OIL	1,500	85	6%	1,415	85	319	234	73%	
INSURANCE	6,000	12,620	210%	(6,620)	12,620	5,792	(6,828)	-118%	
CONTRACTUAL SERVICES	325,000	97,965	30%	227,035	97,965	74,528	(23,437)	-31%	
OTHER CONTRACTUAL & SPECIAL SERVICES	746,800	111,548	15%	635,252	111,548	544,985	433,438	80%	
DEBT SERVICE	2,621,100	344,815	13%	2,276,285	344,815	300,586	(44,228)	-15%	
LAND PURCHASE	-	-	0%	-	-	25,000	25,000	0%	
PROGRAM DEVELOPMENT	1,012,200	50,000	5%	962,200	50,000	1,308,216	1,258,216	96%	
TRANSFERS OUT	1,556,500	380,082	24%	1,176,418	380,082	496,050	115,968	23%	
TOTAL EXPENDITURES	7,274,200	1,155,357	16%	6,118,843	1,155,357	2,950,018	1,794,661	61%	
REVENUE OVER/(UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ 682,135</u>		<u>\$ 682,135</u>	<u>\$ 682,135</u>	<u>\$ (1,467,443)</u>	<u>\$ 2,149,578</u>		

CITY OF PHARR
GENERAL LEDGER STATUS REPORT
NON AUDITED BUDGET VS. ACTUAL
FOR PERIOD ENDING DECEMBER 31, 2018

BRIDGE FUND 70

FY 18/19

FY 17/18

--Variance--

	ORIGINAL BUDGET	Y-T-D ACTUAL	PERCENT OF BUDGET	BALANCE	Y-T-D ACTUAL	Prior FY Y-T-D Actual	Amount	Percent
REVENUES								
BRIDGE TOLL REVENUES	\$ 14,162,000	\$ 3,464,255	24%	\$ (10,697,745)	\$ 3,464,255	\$ 3,381,441	\$ 82,814	2%
BRIDGE TOLL REVENUES-SHARE RMA	-	1,435	100%	1,435	1,435	-	1,435	100%
BRIDGE REVENUE FUND INTEREST EARNED	50,000	23,525	47%	(26,475)	23,525	22,686	839	4%
PESO EXCHANGE RATE INCOME	86,700	14,650	17%	(72,050)	14,650	22,363	(7,712)	-34%
RENTAL INCOME	210,600	59,650	28%	(150,950)	59,650	59,650	-	0%
TOLL TICKET SALES	16,500	-	0%	(16,500)	-	2,768	(2,768)	-100%
FINANCING DEBT FUNDS	520,000	105,167	20%	(414,833)	105,167	-	105,167	0%
TOTAL REVENUES	<u>15,045,800</u>	<u>3,668,682</u>	<u>24%</u>	<u>(11,377,118)</u>	<u>3,668,682</u>	<u>3,488,908</u>	<u>179,774</u>	<u>5%</u>
EXPENDITURES								
PERSONNEL	1,452,400	283,403	20%	1,168,997	283,403	266,514	(16,889)	-6%
SUPPLIES & MATERIALS	225,500	35,805	16%	189,695	35,805	29,167	(6,638)	-23%
BUILDING & EQUIPMENT	699,300	144,186	21%	555,114	144,186	256,095	111,908	44%
REPAIRS & MAINTENANCE	15,400	170	1%	15,230	170	432	262	61%
EQUIPMENT RENTALS	5,600	1,074	19%	4,526	1,074	628	(447)	-71%
UTILITIES	60,000	11,944	20%	48,056	11,944	6,687	(5,257)	-79%
VEHICLE USAGE	10,500	5,915	56%	4,585	5,915	2,213	(3,702)	-167%
INSURANCE	40,000	41,260	103%	(1,260)	41,260	31,557	(9,702)	-31%
DEBT SERVICE	1,339,500	131,308	10%	1,208,192	131,308	127,920	(3,387)	-3%
CONTRACTUAL SERVICES	137,800	35,247	26%	102,553	35,247	42,398	7,150	17%
OTHER CONTRACTUAL & SPECIAL SERVICES	694,300	128,173	18%	566,127	128,173	163,998	35,825	22%
TRANSFERS OUT	10,365,500	1,538,425	15%	8,827,075	1,538,425	2,682,467	1,144,042	43%
TOTAL EXPENDITURES	<u>15,045,800</u>	<u>2,356,911</u>	<u>16%</u>	<u>12,688,889</u>	<u>2,356,911</u>	<u>3,610,075</u>	<u>1,253,164</u>	<u>35%</u>
REVENUE OVER/(UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ 1,311,771</u>		<u>\$ 1,311,771</u>	<u>\$ 1,311,771</u>	<u>\$ (121,167)</u>	<u>\$ 1,432,938</u>	

CITY OF PHARR
STATEMENT OF AVAILABLE RESOURCES
FOR PERIOD ENDING DECEMBER 31, 2018

	GENERAL FUND	WATER FUND	BRIDGE FUND	PEDC FUND
CASH				
OPERATING CASH	\$ 71,778	\$ 532,358	\$ -	\$ 2,263,561
CLAIM ON CASH	1,999,387	446,779	700,000	421,894
DUE FROM OTHER FUNDS	321,405	-	-	-
DUE FROM PHFC	5,373,780			
TOTAL CASH	7,766,350	979,137	700,000	2,685,455
LIABILITIES				
ACCOUNTS PAYABLES	926,199	46,640	-	89,940
DUE TO OTHER FUNDS	98,987.93	-	-	-
UTILITY ACCOUNTS	-	635,849	-	-
TOTAL LIABILITIES	1,025,187	682,489	-	89,940
TOTAL AVAILABLE RESOURCES	\$ 6,741,164	\$ 296,647	\$ 700,000	\$ 2,595,514

**PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
CITY OF PHARR TAXES COLLECTED FOR:
DECEMBER 2018**

COMPARATIVE RATE OF COLLECTIONS

CITY OF PHARR CPR (33)	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2018/2019	COLLECTED 2017/2018
2018 TAX ROLL	19,278,100.58	7,268,981.67	-	(49,368.39)	11,959,750.52	37.80%	37.39%
2017 & PRIOR YRS	2,534,188.08	151,540.21		(35,977.51)	2,346,670.36	6.07%	6.99%
ROLLBACK	13,987.55		-	22,843.79	36,831.34	0.00%	0.06%
TOTALS	21,826,276.21	7,420,521.88	-	(62,502.11)	14,343,252.22		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF DECEMBER 2018

	CITY OF PHARR	MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	5,976,153.97	(27,315.77) CURRENT
CURRENT YEAR-P&I		
PRIOR YEARS-BASE TAX	25,431.44	(28,892.52) PRIOR
PRIOR YEARS-P&I	16,424.31	
ROLLBACK		22,843.79 ROLLBACK
ROLLBACK P&I		
ATTORNEY FEES	9,586.53	PURGED
TOTAL COLLECTIONS	6,027,596.25	(33,364.50)
LESS TRANSFERRED	4,585,464.25	
LESS IN TRANSIT	1,436,209.57	
LESS DUE TO HCAD COMM. FEE	134.43	
LESS DUE TO CO TREASURER	5,788.00	
BALANCE	-	

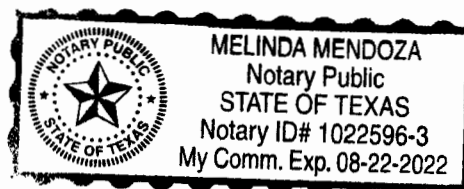
*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE CITY OF PHARR, DO
SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR
THE MONTH OF DECEMBER 2018 IS CORRECT.

Pablo (Paul) Villarreal Jr.
ASSESSOR-COLLECTOR OF TAXES FOR CITY OF PHARR, TEXAS

SWORN AND SUBSCRIBED BEFORE ME THIS 9TH DAY OF JANUARY 2019 A.D.

Melinda Mendoza
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS

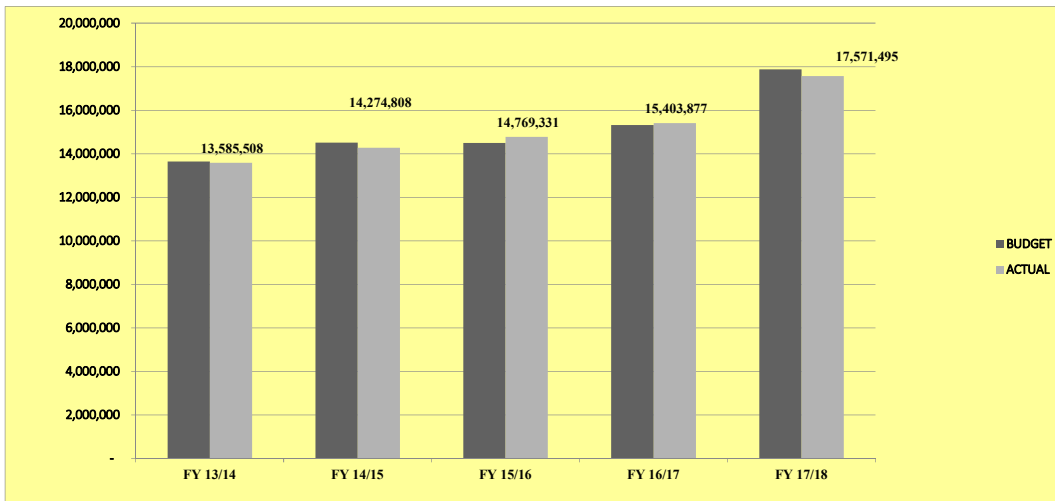


City of Pharr Property Tax Analysis - Cash Collections

-The following graph shows the trend of current and delinquent property taxes over the last five fiscal years:



-The following graph shows the comparison of property taxes budget versus actual for current and delinquent combined:

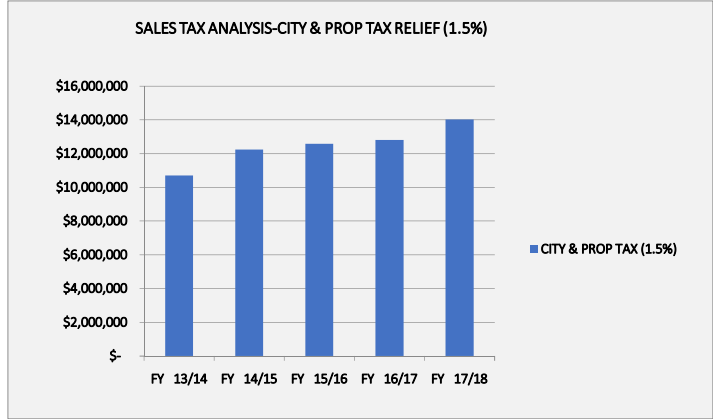
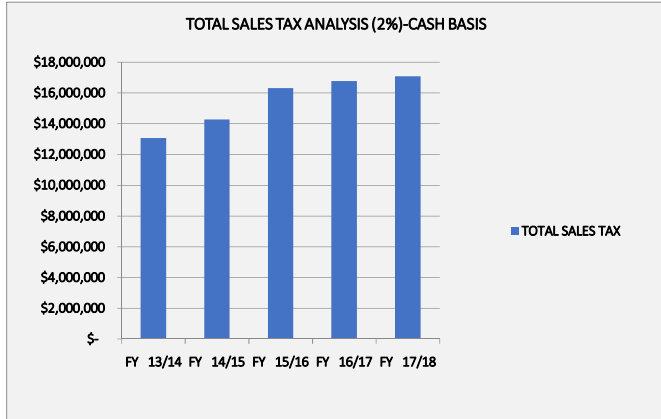


-The following is the net favorable/ (unfavorable) change in sales taxes for the quarter ending in December 31, 2018 compared to last fiscal year:

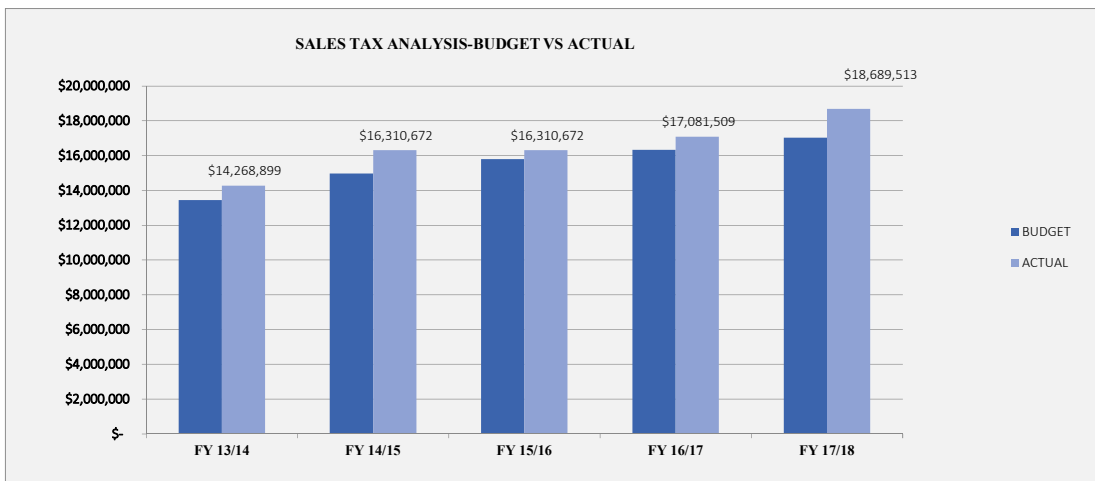
CURRENT					DELINQUENT				
MONTH	Tax Yr 2017 FY 17/18	Tax Yr 2018 FY 18/19	Difference FY 17/18 - FY 18/19		MONTH	Tax Yr 2017 FY 17/18	Tax Yr 2018 FY 18/19	Difference FY 17/18 - FY 18/19	
OCTOBER	\$ 89,184	\$ 191,810	\$ 102,626	↑	OCTOBER	\$ 63,162	\$ 56,146	\$ (7,016)	↓
NOVEMBER	1,001,014	797,108	(203,906)		NOVEMBER	49,081	57,532	8,451	
DECEMBER	4,434,186	4,895,733	461,547		DECEMBER	54,483	29,176	(25,307)	
TOTAL	\$ 5,524,384	\$ 5,884,651	\$ 360,267	7%	TOTAL	\$ 166,726	\$ 142,854	\$ (23,872)	-14%

City of Pharr
Current Sales Tax Analysis - Cash Collections

-The following graph shows the trend of total sales tax over the last five fiscal years:



-The following graph shows the comparison of total sales taxes over the last five fiscal years:



-The following is the net favorable/ (unfavorable) change in sales taxes for the quarter ending in December 31, 2018 compared to last fiscal year:

TOTAL SALES TAX (2%) -CASH BASIS			
MONTH	FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19
OCTOBER	\$ 1,374,342	\$ 1,565,305	\$ 190,962
NOVEMBER	1,537,813	1,771,783	233,970
DECEMBER	1,363,639	1,633,688	270,049
TOTAL	\$ 4,275,794	\$ 4,970,775	\$ 694,981

↑
16%

SALES TAX-CITY & PROP RELIEF (1.5%) -CASH BASIS			
MONTH	FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19
OCTOBER	\$ 1,030,756.76	\$ 1,173,979	\$ 143,222
NOVEMBER	1,153,359.47	1,328,837	175,477
DECEMBER	1,022,729	1,225,266	202,536
TOTAL	\$ 3,206,846	\$ 3,728,081	\$ 521,236

↑
16%

SALES TAX STATE COLLECTION RGV COMPARISON - DECEMBER 2018

Valley Rank	City	Net Payment This Period	Payment Prior Year	% Change	2018 Payments To Date	2017 Payments To Date	% Change
Rank Based on Current Month Activity							
1	Mercedes	584,060.99	389,815.47	49.83%	6,298,572.19	6,169,085.03	2.10%
2	San Juan	354,589.73	284,214.44	24.76%	3,850,229.07	3,556,346.28	8.26%
3	McAllen	5,472,359.12	4,390,341.47	24.65%	64,157,909.36	58,616,964.88	9.45%
4	Mission	1,375,841.66	1,111,735.70	23.76%	15,659,980.81	14,693,032.70	6.58%
5	Edinburg	2,007,037.14	1,624,490.61	23.55%	22,794,459.19	20,934,767.43	8.88%
6	Brownsville	3,322,887.71	2,765,731.12	20.15%	38,851,025.62	36,383,169.53	6.78%
7	Pharr	1,633,687.83	1,363,639.30	19.80%	18,959,562.49	17,065,314.64	11.10%
8	Weslaco	1,051,260.22	886,379.30	18.60%	12,802,273.24	11,950,056.95	7.13%
9	San Benito	365,411.93	348,513.90	4.85%	4,565,496.84	4,491,358.86	1.65%
10	Harlingen	2,022,327.17	1,950,730.56	3.67%	25,293,869.01	24,007,367.90	5.36%

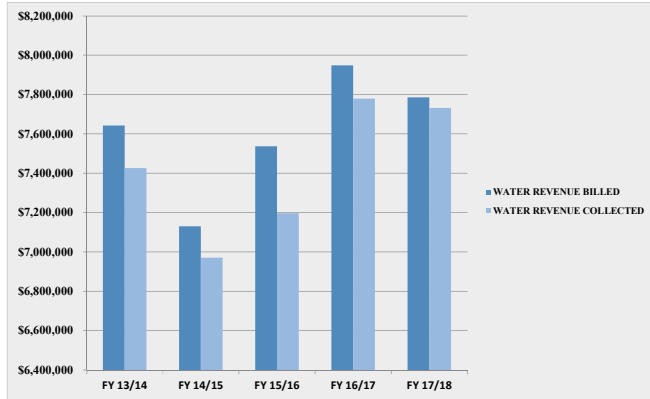
Rank Based on Calendar Year 2018 To Date Activity							
1	Pharr	1,633,687.83	1,363,639.30	19.80%	18,959,562.49	17,065,314.64	11.10%
2	McAllen	5,472,359.12	4,390,341.47	24.65%	64,157,909.36	58,616,964.88	9.45%
3	Edinburg	2,007,037.14	1,624,490.61	23.55%	22,794,459.19	20,934,767.43	8.88%
4	San Juan	354,589.73	284,214.44	24.76%	3,850,229.07	3,556,346.28	8.26%
5	Weslaco	1,051,260.22	886,379.30	18.60%	12,802,273.24	11,950,056.95	7.13%
6	Brownsville	3,322,887.71	2,765,731.12	20.15%	38,851,025.62	36,383,169.53	6.78%
7	Mission	1,375,841.66	1,111,735.70	23.76%	15,659,980.81	14,693,032.70	6.58%
8	Harlingen	2,022,327.17	1,950,730.56	3.67%	25,293,869.01	24,007,367.90	5.36%
9	Mercedes	584,060.99	389,815.47	49.83%	6,298,572.19	6,169,085.03	2.10%
10	San Benito	365,411.93	348,513.90	4.85%	4,565,496.84	4,491,358.86	1.65%

STATE TOTALS	488,147,144.52	443,537,427.22	10.06%	5,923,734,121.23	5,478,895,013.76	8.12%
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City of Pharr
Utility Revenue Activity Analysis - Cash Collections

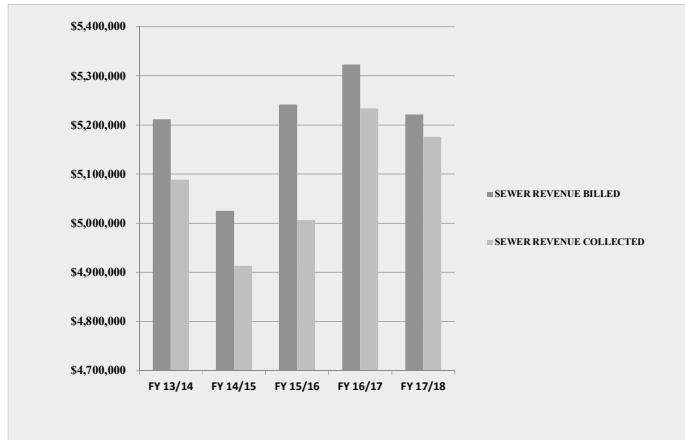
-The following graphs show the trend for Utility Revenue Activity for the last five fiscal years:

WATER



MONTH	BILLED REVENUE				COLLECTED REVENUE			
	FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19		FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19	
OCTOBER	\$ 658,604	\$ 608,381	\$ (50,223)	↓	\$ 777,418	\$ 784,127	\$ 6,709	↓
NOVEMBER	631,533	608,673	(22,860)		642,905	554,386	(88,519)	
DECEMBER	610,045	606,297	(3,748)		603,431	604,695	1,264	
	\$ 1,900,182	\$ 1,823,351	\$ (76,831)		\$ 2,023,754	\$ 1,943,208	\$ (80,546)	
			-4%				-4%	

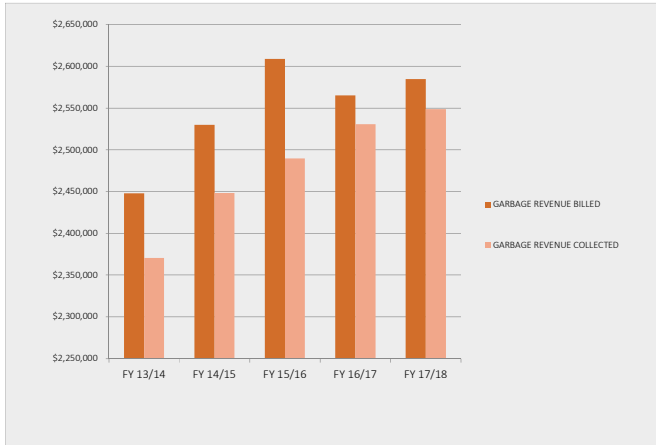
SEWER



MONTH	BILLED REVENUE				COLLECTED REVENUE			
	FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19		FY 17/18	FY 18/19	Difference FY 17/18 - FY 18/19	
OCTOBER	\$ 432,579	\$ 416,457	\$ (16,122)	↓	\$ 492,458	\$ 502,328	\$ 9,870	↓
NOVEMBER	426,267	418,537	(7,730)		413,280	375,685	(37,595)	
DECEMBER	416,206	419,837	3,631		402,798	416,246	13,448	
	\$ 1,275,052	\$ 1,254,831	\$ (20,221)		\$ 1,308,536	\$ 1,294,259	\$ (14,277)	
			-2%				-1%	

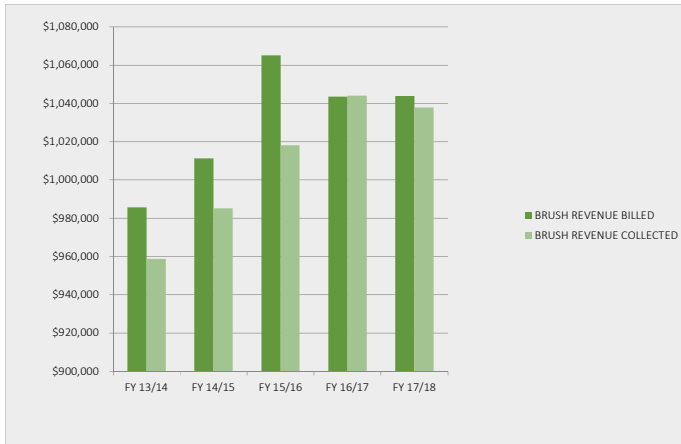
City of Pharr
Utility Revenue Activity Analysis - Cash Collections

GARBAGE



MONTH	BILLED REVENUE				COLLECTED REVENUE			
	FY 17/18	FY 18/19	Difference		FY 17/18	FY 18/19	Difference	
			FY 17/18 - FY 18/19				FY 17/18 - FY 18/19	
OCTOBER	\$ 214,646	\$ 216,649	\$ 2,003	↑	\$ 215,554	\$ 228,788	\$ 13,234	↑
NOVEMBER	214,466	216,973	2,507		204,503	195,947	(8,556)	
DECEMBER	215,312	218,375	3,063		195,076	212,402	17,326	
	\$ 644,424	\$ 651,997	\$ 7,573	1%	\$ 615,133	\$ 637,137	\$ 22,004	4%

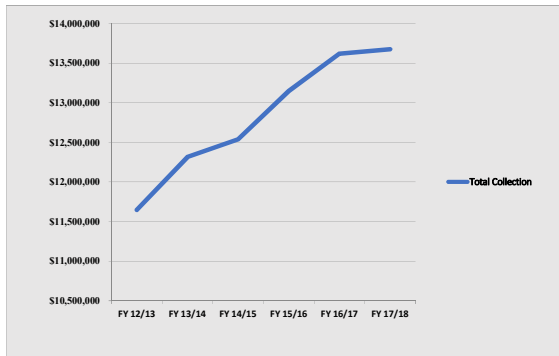
BRUSH



MONTH	BILLED REVENUE				COLLECTED REVENUE			
	FY 17/18	FY 18/19	Difference		FY 17/18	FY 18/19	Difference	
			FY 17/18 - FY 18/19				FY 17/18 - FY 18/19	
OCTOBER	\$ 86,975	\$ 87,332	\$ 357	↑	\$ 88,264	\$ 92,579	\$ 4,315	↑
NOVEMBER	87,149	87,682	533		83,981	80,492	(3,489)	
DECEMBER	87,410	88,116	706		81,485	89,446	7,961	
	\$ 261,534	\$ 263,130	\$ 1,596	1%	\$ 253,730	\$ 262,517	\$ 8,787	3%

City of Pharr
Bridge Revenue Activity Analysis - Toll Collections

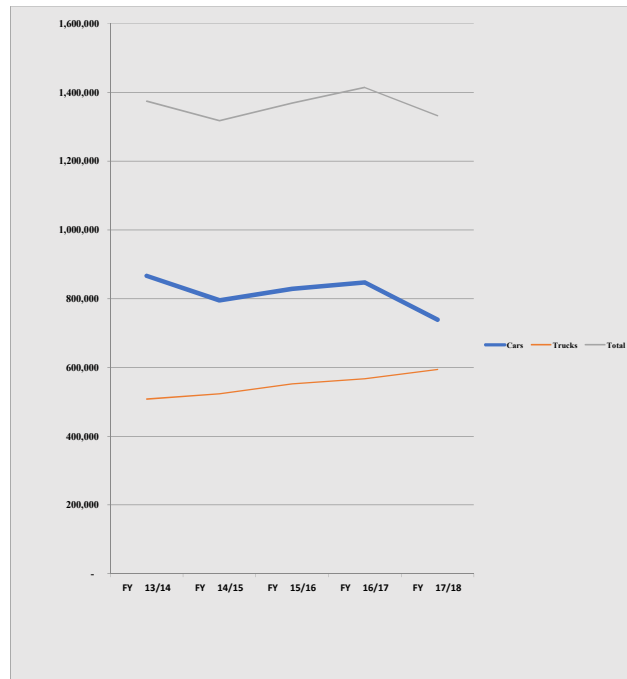
TREND ANALYSIS FOR TOLL COLLECTIONS FOR THE LAST SIX YEARS:



TOTAL TOLL COLLECTIONS PRIOR AND CURRENT YEAR				
MONTH	FY 17/18	FY 18/19	Difference	
			FY 17/18-FY 18/19	
OCTOBER	\$ 1,143,053	\$ 1,202,619	\$	59,566
NOVEMBER	1,136,393	1,171,716		35,323
DECEMBER	1,101,996	1,089,652		(12,344)
TOTAL	\$ 3,381,442	\$ 3,463,987	\$	82,545



TRUCKS AND CARS CROSSINGS TREND OVER THE LAST FIVE FISCAL YEARS:



TRUCKS AND CARS CROSSINGS PRIOR AND CURRENT YEAR				
MONTH	FY 17/18	FY 18/19	Difference	
			FY 17/18-FY 18/19	
OCTOBER	\$ 112,972	\$ 117,523	\$	4,551
NOVEMBER	109,151	114,764		5,613
DECEMBER	111,883	114,630		2,747
TOTAL	\$ 334,006	\$ 346,917	\$	12,911



TRUCKS AND CARS CROSSINGS PRIOR AND CURRENT YEAR				
TRUCKS	FY 17/18	FY 18/19	Difference	
			FY 17/18-FY 18/19	
OCTOBER	\$ 49,888	\$ 52,128	\$	2,240
NOVEMBER	49,606	50,355		749
DECEMBER	46,367	45,342		(1,025)
TOTAL	\$ 145,861	\$ 147,825	\$	1,964

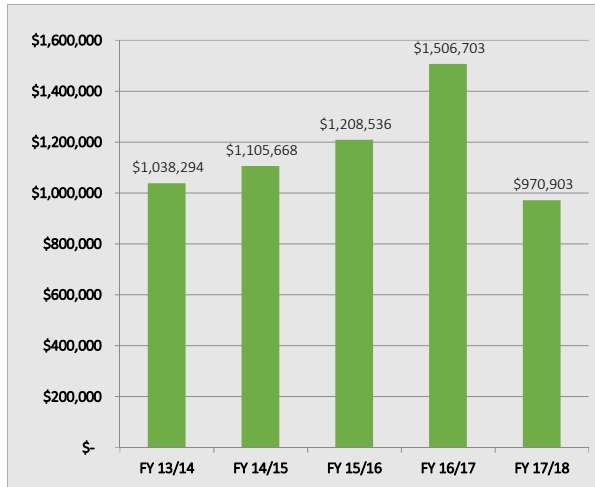


TRUCKS AND CARS CROSSINGS PRIOR AND CURRENT YEAR				
CARS	FY 17/18	FY 18/19	Difference	
			FY 17/18-FY 18/19	
OCTOBER	\$ 63,084	\$ 65,395	\$	2,311
NOVEMBER	59,545	64,409		4,864
DECEMBER	65,516	69,288		3,772
TOTAL	\$ 188,145	\$ 199,092	\$	10,947



City of Pharr Municipal Court Collections

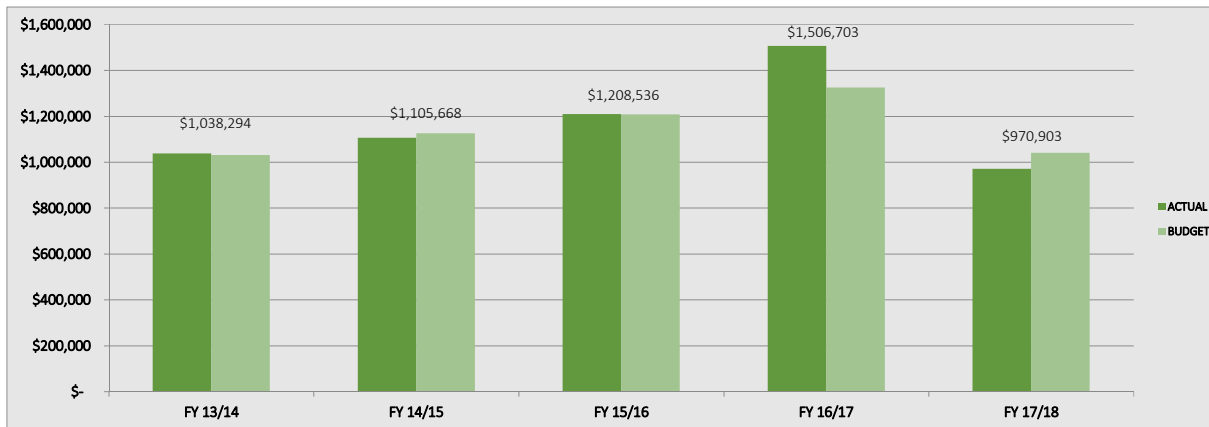
-Collection revenue five fiscal year comparison:



MONTH	Difference		
	FY 16/17	FY 17/18	FY 17/18-FY 16/17
OCTOBER	\$ 95,535	\$ 64,734	\$ (30,801)
NOVEMBER	76,520	41,588	(34,932)
DECEMBER	53,663	44,761	(8,902)
TOTAL	\$ 225,718	\$ 151,083	\$ (74,635)

↓
-33%

-Budget vs Actual five fiscal year comparison:



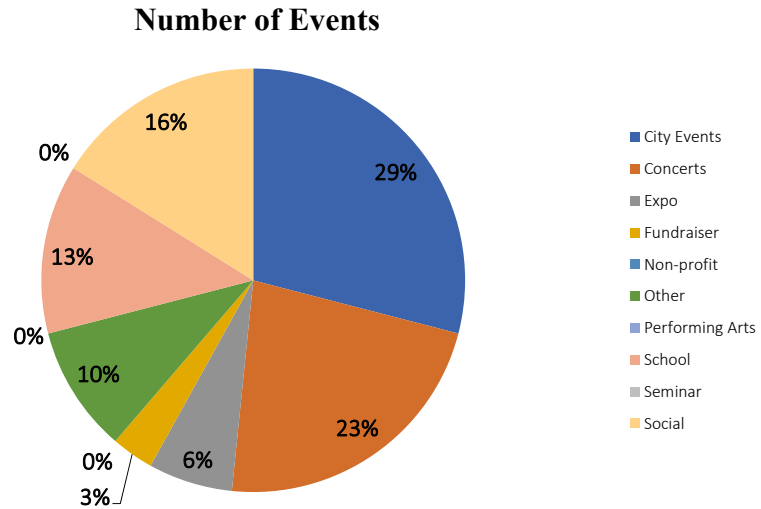
CITY OF PHARR
GENERAL LEDGER STATUS REPORT
NON AUDITED BUDGET VS. ACTUAL
FOR PERIOD ENDING DECEMBER 31, 2018

PHARR EVENT CENTER

	FY 18/19					FY 17/18	--Variance--	
	ORIGINAL BUDGET	Y-T-D ACTUAL	PERCENT OF BUDGET	BALANCE	Y-T-D ACTUAL	Prior FY Y-T- D Actual	Amount	Percent
REVENUES								
PHARR EVENT CENTER RENTAL	\$ 58,000	\$ 17,150	30%	(40,850)	\$ 17,150	\$ 32,300	\$ (15,150)	-47%
PHARR EVENT CENTER -FF	23,100	6,126	27%	(16,974)	6,126	7,490	(1,364)	-18%
PHARR EVENT CENTER - CONS FEES	180,000	112,538	63%	(67,462)	112,538	110,150	2,388	2%
TICKETMASTER REVENUE SHARING	-	1,980	0%	1,980	1,980	3,059	(1,079)	-35%
TRANSFER IN - GENERAL FUND	448,600	51,969	12%	(396,631)	51,969	26,632	25,337	95%
INTEREST EARNED	-	665	0%	665	665	292	374	128%
MISC	-	1,448	0%	1,448	1,448	928	520	56%
TOTAL REVENUES	709,700	191,877	27%	(517,823)	191,877	180,851	11,026	6%
EXPENDITURES								
PERSONNEL	373,000	104,751	28%	268,249	104,751	90,925	(13,826)	-15%
SUPPLIES & MATERIALS	42,000	5,796	14%	36,204	5,796	8,600	2,804	33%
INVENTORY CONCESSION	140,000	33,557	24%	106,443	33,557	36,241	2,684	7%
BUILDING MAINTENANCE	10,000	2,672	27%	7,328	2,672	1,318	(1,354)	0%
EQUIPMENT RENTALS	2,800	483	17%	2,317	483	425	(58)	-14%
ADVERTISING	-	1,000	0%	(1,000)	1,000	-	(1,000)	0%
AUTOMOTIVE	-	1,072	0%	(1,072)	1,072	1,100	28	3%
UTILITIES	7,000	890	13%	6,110	890	899	8	0%
ELECTRICITY	59,900	13,494	23%	46,406	13,494	14,924	1,429	10%
CONTRACTUAL SERVICES	40,000	7,799	19%	32,201	7,799	10,958	3,159	29%
INSURANCE	15,000	18,814	125%	(3,814)	18,814	10,311	(8,504)	-82%
EVENT CENTER STAFFING / RENTAL	5,000	(73)	-1%	5,073	(73)	838	911	0%
OTHER CONTRACTUAL & SPECIAL SERVICES	15,000	1,621	11%	13,379	1,621	4,313	2,693	62%
TOTAL EXPENDITURES	709,700	191,877	27%	517,823	191,877	180,851	(11,026)	-6%
REVENUE OVER/(UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

City of Pharr
Pharr Event Center Attendance by Event Type as of December 31, 2018

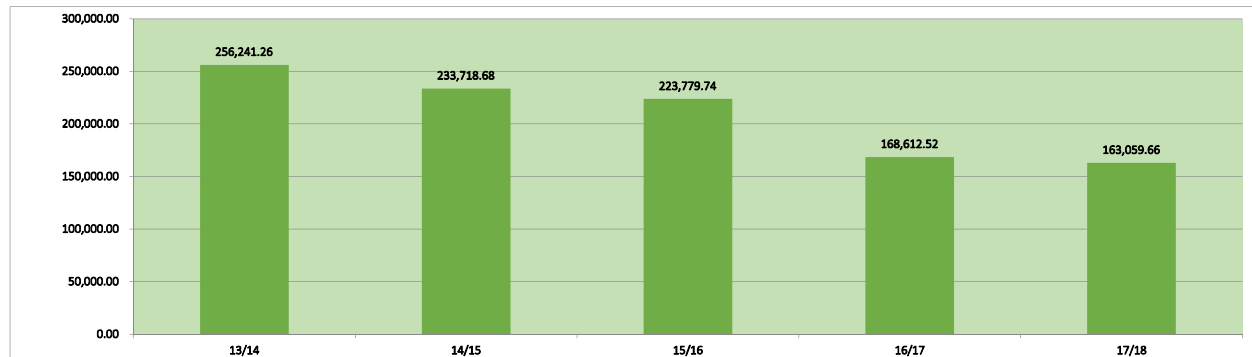
Event Type	Number of Events	Percentage	Attendance	Total Concession	Average Concession per Event
City Events	9	29%	5,350	\$ 4,305	\$ 478
Concerts	7	23%	6,300	117,029	16,718.43
Expo	2	6%	1,400	1,790	895
Fundraiser	1	3%	1,200	13	13
Non-profit	0	0%	-	-	-
Other	3	10%	2,000	594	198
Performing Arts	0	0%	-	-	-
School	4	13%	2,600	5,450	1,363
Seminar	0	0%	-	-	-
Social	5	16%	4,450	5,117	1,023
	31	100%	23,300	\$ 134,298	\$ 20,689



**CITY OF PHARR
HOTEL/MOTEL OCCUPANCY TAX**

	Q4-2014	Q1-2015	Q2-2015	Q3-2015	Q4-2015	Q1-2016	Q2-2016	Q3-2016	Q4-2016	Q1-2017	Q2-2017	Q3-2017	Q4-2017	Q1-2018	Q2-2018	Q3-2018	Q4-2018
Americas Best Value Inn/ Pharr inn & Suites	\$ 7,019	\$ 7,315	\$ 6,542	\$ 5,890	\$ 6,967	\$ 7,227	\$ 7,813	\$ 6,770	\$ 4,742	\$ 6,765	\$ 6,069	\$ 5,666	\$ 6,661	\$ 7,592	\$ 6,215	\$ 4,980	\$ 5,307
Quality Inn / Comfort Inn	12,349	13,361	10,804	10,867	12,479	12,530	10,833	11,834	12,768	10,744	9,773	7,776	7,582	9,151	7,137	10,009	10,614
Country Hearth Inn / Knights Inn & Suites	6,250	6,695	2,336	3,187	11,975	14,533	13,515	14,779	15,602	13,345	14,135	11,777	10,353	15,058	12,594	14,640	14,647
Fairwinds Executive Inn	8,941	7,842	8,442	8,299	8,639	7,286	6,890	7,694	6,908	6,372	6,182	5,718	5,795	5,206	5,196	6,096	6,314
Hampton Inn & Suites	53,464	49,019	47,669	41,467	46,414	47,525	41,742	38,806	36,254	34,573	33,040	25,139	24,284	27,004	26,376	28,887	25,742
Holiday Inn Express	41,333	41,947	39,012	37,614	38,357	40,290	36,458	30,859	31,017	32,654	24,571	22,429	18,142	22,762	22,614	25,077	24,278
King 9 Motel	2,501	2,397	2,683	2,536	3,008	2,468	2,668	2,577	2,506	2,308	2,842	2,666	2,428	2,424	2,564	-	2,862
La Quinta Inn # 1	45,959	35,839	34,819	36,049	35,632	36,740	32,051	30,913	28,274	30,009	27,498	21,853	18,181	20,078	19,331	17,751	19,756
La Quinta Inn # 2	23,744	32,233	18,008	17,191	17,660	20,106	17,899	16,577	13,203	17,639	10,994	13,263	11,800	15,356	11,775	12,678	13,028
Motel 6	23,040	23,234	23,501	25,233	23,864	22,767	21,773	21,020	20,084	18,127	19,102	20,304	17,642	17,816	18,918	19,425	18,640
Penn-Ann Hotel	1,955	1,682	1,514	1,720	1,555	1,742	1,481	1,357	1,498	1,608	1,334	1,310	1,253	1,319	1,395	1,451	-
Pharr Executive Inn	1,056	1,173	1,355	1,211	1,309	1,259	1,319	1,266	1,325	1,316	1,225	1,193	1,295	1,106	902	987	997
Pharr Plaza Hotel	5,226	5,596	5,334	5,335	5,389	5,032	5,258	5,115	5,269	4,740	4,629	4,319	4,916	4,484	4,742	4,187	4,461
Red Roof Inn	13,160	14,146	14,795	15,830	13,943	14,086	14,058	14,195	12,833	12,023	11,594	8,006	9,255	10,301	-	-	-
Sun Deck Motel	1,875	1,580		1,606	1,860	1,979	1,601	1,654	1,720	2,576	2,436	2,071	1,912	2,247	2,210	1,943	2,124
Travelodge	11,495	11,234	9,977	8,778	9,205	7,305	6,295	6,959	6,106	5,619	5,132	4,914	5,145	4,093	4,611	-	3,278
Value Place	11,832	10,634	9,995	10,906	11,423	13,429	10,524	11,406	11,538	12,263	9,371	9,348	7,625	10,719	10,699	8,187	9,670
Vecchio Motel																	
NO PAYMENT HAS BEEN RECEIVED					-	652	584	-	287	1,517	1,492	862	862	1,537	1,444	1,517	1,342
	\$ 271,200	\$ 265,927	\$ 236,786	\$ 233,719	\$ 249,680	\$ 256,956	\$ 232,761	\$ 223,780	\$ 211,933	\$ 214,196	\$ 191,418	\$ 168,613	\$ 155,133	\$ 178,255	\$ 158,723	\$ 163,566	\$ 163,060
				\$ 251,907.89				\$ 240,794.51				\$ 196,540.10				\$ 163,919.30	
				FY 14/15				FY 15/16				FY 16/17				FY 17/18	
				\$ 1,007,632				\$ 963,178				\$ 786,160				\$ 818,737	
				62,984				(44,454)				(177,018)				32,576	
				6%				-5%				-23%				4%	
				850,000				850,000				800,000				669,200	
				1,007,632				963,178				786,160				818,737	
				119%				113%				98%				122%	

-Revenue collection four fiscal year comparison of 4th quarter amounts only



CITY OF PHARR
TRANSFERS IN/OUT
NON AUDITED BUDGET VS. ACTUAL
FOR THE PERIOD ENDED DECEMBER 31, 2018

	<u>ANNUAL BUDGET</u>	<u>Y-T-D ACTUAL</u>	<u>PERCENT OF BUDGET</u>	<u>BALANCE</u>
TRANSFERS IN				
General Fund	\$ 9,168,500	\$ 2,558,593	28%	\$ (6,609,907)
Special Revenue Fund	-	37,900	0%	37,900
Co Series 2018	18,200,000	18,185,000	0%	(15,000)
Tax Notes 2017	1,208,200	360,575	30%	(847,625)
Debt Service	3,714,000	928,500	25%	(2,785,500)
Utility	65,600	65,600	100%	-
Event Center	458,000	44,911	10%	(413,089)
Bridge	18,700	18,700	100%	-
Pharr Pharr Economic Development	1,229,500	296,125	24%	(933,375)
TOTAL TRANSFERS IN	<u>34,062,500</u>	<u>22,495,904</u>	<u>66%</u>	<u>(11,566,596)</u>
TRANSFERS OUT				
General Fund	20,229,500	18,712,661	93%	(1,516,839)
Hotel/Motel	509,100	127,275	25%	(381,825)
Paving & Drainage	827,500	265,400	32%	(562,100)
Capital Projects	-	1,100,000	0%	1,100,000
Utilities	524,400	131,100	25%	(393,300)
Bridge	10,365,500	1,538,425	15%	(8,827,075)
PEDC	1,406,500	421,043	30%	(985,457)
PHFC	200,000.00	200,000	0%	-
TOTAL TRANSFERS OUT	<u>\$ 34,062,500</u>	<u>\$ 22,495,904</u>	<u>66%</u>	<u>\$ (11,566,596)</u>

QUARTERLY UPDATES



CITY OF PHARR
CIP SCHEDULE AS OF DECEMBER 31, 2018

Governmental:				
	Balance 10/1/2018	Additions	Completions	Balance 12/31/2018
<u>PARKS</u>				
Civic Center Renovation	488,205	\$ -	\$ -	\$ 488,205
Parks Designs and Improvements	786,536	224,068	-	1,010,604
Jones Box Pedestrian	9,846	156,248	-	166,094
Newcombe	52,352	122,930	-	175,282
Dr. Long Park	689,379	460,002	-	1,149,381
Jones Box Park	597,197	-	-	597,197
Nature Park	1,143,225	622,250	-	1,765,475
Witten Park and Sports Complex	9,625	-	-	9,625
Baseball Dugouts	20,309	184,469	-	204,778
Aquatic Park Renovations	17,000	-	-	17,000
Arnold Elementary Park	1,301,719	650,127	-	1,951,846
Victor Garcia Skate Park	55,860	235,791	-	291,651
North Side Aquatic Facility	-	390,500	-	390,500
Total Parks	5,171,253	3,046,386	-	7,827,139
<u>STREETS</u>				
South Alondra	2,985	-	-	2,985
Anaya Road	329,887	-	-	329,887
Hi-Line	538,200	125,696	-	663,896
Owassa Road	3,231,975	-	-	3,231,975
Bike Path Stripping	294,413	-	-	294,413
LED Project	2,103,422	-	-	2,103,422
4 Year Repaving Program	9,349,703	-	-	9,349,703
PSJA Tri-City Pedestrian	93,604	-	-	93,604
Railroad Crossinga	89,515	59,392	-	148,907
Downtown Traffic Loop	125,937	-	-	125,937
West Las Milpas	98,610	28,132	-	126,742
Thomas Rd	33,698	-	-	33,698
Downtown Lighting	48,359	-	-	48,359
Veterans Road	202,614	-	-	202,614
St.Jude Pareking Lot	208,612	-	-	208,612
Moore Road	393,834	-	-	393,834
Total Streets	17,145,368	213,219	-	17,358,587
<u>PUBLIC SAFETY</u>				
Communication Center	2,089,980	789,835	-	2,879,815
South Fire Station No. 4	774,998	355,213	-	1,130,211
North Fire Station No. 1	42,292	-	-	42,292
Total Public Safety	2,907,270.00	1,145,048	-	4,052,318
Total Governmental	\$ 25,223,891	\$ 4,404,653	\$ -	\$ 29,238,044
Business-Type:				
	Balance 10/1/2018	Additions	Completions	Balance 12/31/2018
<u>UTILITY</u>				
Rehab LBJ Water Tower	143,700	-	-	143,700
Waste Water Treatment Clarifier	936,335	-	-	936,335
Lift Station N. 25	3,162,700	-	-	3,162,700
Manhole & Lift Station Rehabilitation	61,650	-	-	61,650
Lift Station No. 1	28,430	-	-	28,430
Moore Road Sewer Improvements	5,500	208,887	-	214,387
Relocation W & SW	425,085	-	-	425,085
Total Utility	4,763,400	208,887	-	4,972,287
<u>BRIDGE</u>				
Bridge Office Expansion	52,300	-	-	52,300
FY 15 DAP	633,552	-	-	633,552
FY 16 Dap	1,260,064	-	-	1,260,064
Total Bridge	\$ 1,945,916	\$ -	\$ -	\$ 1,945,916
Total Business-Type:	\$ 6,709,316	\$ 208,887	\$ -	\$ 6,918,203
Grand Total	\$ 31,933,207	\$ 4,613,540	\$ -	\$ 36,156,247

CITY OF PHARR
OUTSTANDING DEBT ISSUANCES
AS OF DECEMBER 31 2018

Debt Type	Series	Interest Rate(s)	Date of Maturity	Original Issuance	Unspent Proceeds	Debt Issuances Maturity Info		
						Principal Budgeted This FY	Balance After This FY Principal	Total Outstanding As Of DECEMBER 31, 2018
GENERAL FUND								
General Obligation Refunding Bonds	2015B	2% - 5%	8/15/2021	\$ 9,120,000	\$ -	\$ 1,710,000	\$ 4,085,000	\$ 4,085,000
Certificates of Obligation	2016	2% - 5%	8/15/2036	14,290,000	1,338,774	190,000	14,100,000	14,100,000
Tax Notes	2017	4.25%	12/1/2024	7,300,000	4,880,792	689,391	6,610,609	6,610,609
Certificates of Obligation	2017	4% - 5%	8/15/2037	17,240,000	12,703,138	2,640,000	14,600,000	14,600,000
				<u>\$ 47,950,000</u>	<u>\$ 18,922,704</u>	<u>\$ 5,229,391</u>	<u>\$ 39,395,609</u>	<u>\$ 39,395,609</u>
INTERNATIONAL BRIDGE								
Revenue Refunding Bond	2015A	2% - 5%	8/15/2022	\$ 4,440,000	\$ -	\$ 605,000	\$ 2,640,000	\$ 2,640,000
				<u>\$ 4,440,000</u>	<u>\$ -</u>	<u>\$ 605,000</u>	<u>\$ 2,640,000</u>	<u>\$ 2,640,000</u>
WATER & SEWER								
Revenue Bonds DWSRF	2007A	2.35%	9/1/2027	\$ 13,310,000	\$ -	\$ 840,000	\$ 8,660,000	\$ 8,660,000
Revenue Bonds NADBank	2007B	3.75%	9/1/2027	10,000,000	242,647	495,000	5,360,000	5,360,000
Revenue Refunding Bonds	2008	3.60%	9/1/2018	6,430,000	-	75,000	-	-
Revenue Bonds DWSRF	2013	2.71%	9/30/2042	8,725,000	4,421,889	255,000	7,450,000	7,450,000
Revenue Bonds DWSRF	2015	4.01%	9/1/2035	1,762,000	-	73,000	1,547,000	1,547,000
Revenue Refunding Bonds	2017	3.10%	9/1/2027	18,000,000	-	1,220,000	15,440,000	15,440,000
				<u>\$ 58,227,000</u>	<u>\$ 4,664,536</u>	<u>\$ 2,958,000</u>	<u>\$ 38,457,000</u>	<u>\$ 38,457,000</u>
CDBG- HUD SECTION 108								
\$5,600,000 HUD Section 108	2011	2.00%	8/1/2031	\$ 5,600,000	\$ -	\$ 295,000	\$ 3,835,000	\$ 3,835,000
				<u>\$ 5,600,000</u>	<u>\$ -</u>	<u>\$ 295,000</u>	<u>\$ 3,835,000</u>	<u>\$ 3,835,000</u>
PEDC								
Certificates of Obligation***	2012	4.00%	8/15/2032	\$ 7,625,000	\$ -	\$ 320,000	\$ 4,735,000	\$ 4,735,000
Bank Promissory Note	N/A	4.00%	9/30/2021	9,913,000	-	1,561,100	4,985,233	4,985,233
PEDC Line of Credit	2016	4.50%	6/20/2021	5,000,000	-	1,000,000	3,227,588	3,227,588
				<u>\$ 22,538,000</u>	<u>\$ -</u>	<u>\$ 2,881,100</u>	<u>\$ 12,947,821</u>	<u>\$ 12,947,821</u>
City-Wide Total				<u>\$ 138,755,000</u>	<u>\$ 23,587,239</u>	<u>\$ 11,968,491</u>	<u>\$ 97,275,430</u>	<u>\$ 97,275,430</u>

***Issued by the City of Pharr but paid by PEDC.

**CITY OF PHARR
OUTSTANDING CAPITAL LEASES/BANK LOANS
AS OF DECEMBER 31, 2018**

Lease Company	Leased During FY	Length of Lease	Maturity Date	Interest Rate	Lease Amount	Lease Balance	Payments - P&I	
							Monthly	Annual
1- UsBancorp #3	13/14	7 Yrs	1/31/2020	1.76%	\$ 2,097,840	\$ 651,490	\$ 26,558	\$ 318,696
Distribution/Owners:		General Fund Garage Fund	97.50% 2.50%		2,045,394 52,446	635,203 16,287	25,894 664	310,729 7,967
2- UsBancorp #4	13/14	5 Yrs	1/31/2019	1.33%	\$ 335,860	\$ 5,787	\$ 5,789	\$ 23,157.28
Distribution/Owners:		General Fund	100.00%		335,860	5,787	5,789	23,157
3- BB&T	14/15	7 Yrs	5/30/2022	2.00%	\$ 480,000	\$ 242,382	\$ 6,114	\$ 73,363
Distribution/Owners:		General Fund	100.00%		480,000	242,382	6,114	73,363
4- First Security Fincnce	15/16	10 Yrs	1/14/2026	3.69%	\$ 2,685,000	\$ 2,222,887	\$ -	\$ 325,947
Distribution/Owners:		General Fund	100%		2,685,000	2,222,887	-	325,947
5- Signature Public Fund	15/16	3 Yrs	5/6/2019	1.68%	\$ 428,400	\$ 72,901	\$ -	\$ 147,028
Distribution/Owners:		General Fund	100.00%		428,400	72,901	-	147,028
6- Signature Public Fund	15/16	5 Yrs	5/6/2019	1.83%	\$ 260,814	\$ 133,376	\$ -	\$ 54,824
Distribution/Owners:		General Fund	100.00%		260,814	133,376	-	54,824
7- Signature Public Fund	15/16	7 Yrs	5/6/2019	2.05%	\$ 254,694	\$ 167,876	\$ -	\$ 39,244
Distribution/Owners:		General Fund	100.00%		254,694	167,876	-	39,244
8- Signature Public Fund	15/16	10 Yrs	5/6/2019	2.28%	\$ 979,455	\$ 754,999	\$ -	\$ 110,090
Distribution/Owners:		General Fund	100.00%		979,455	754,999	-	110,090
9- UsBancorp #1	16/17	3 Yrs	2/15/2020	1.69%	\$ 61,000	\$ 24,056	\$ 1,737	\$ 20,838.12
Distribution/Owners:		General Fund	100.00%		61,000	24,056	1,737	20,838
10- UsBancorp #2	16/17	5 Yrs	2/15/2022	1.95%	\$ 3,219,500	\$ 2,071,903	\$ 56,269	\$ 675,225
Distribution/Owners:		General Fund Bridge Fund Golf Fund	33.84% 62.43% 3.73%		1,089,479 2,009,934 120,087	701,132 1,293,489 77,282	19,041 35,129 2,099	228,496 421,543 25,186
11- UsBancorp #3	17/18	3 Yrs	10/15/2020	2.45%	\$ 732,500	\$ 491,269	\$ -	\$ 252,467
Distribution/Owners:		General Fund	100.00%		732,500	491,269	-	252,467
12- UsBancorp #4	17/18	5 Yrs	10/15/2022	2.63%	\$ 482,200	\$ 388,193	\$ -	\$ 102,552
Distribution/Owners:		General Fund Bridge Fund	91.91% 8.09%		443,190 39,010	356,788 31,405	- -	94,256 8,296
13- UsBancorp #5	17/18	7 Yrs	10/15/2024	2.78%	\$ 2,897,100	\$ 2,499,454	\$ -	\$ 453,740
Distribution/Owners:		General Fund Utility Fund Bridge Fund Golf Fund	15.12% 67.62% 13.81% 3.45%		438,042 1,959,019 400,090 99,950	377,917 1,690,131 345,175 86,231	- - - -	68,605 306,819 62,661 15,654
14- UsBancorp #6	17/18	10 Yrs	10/15/2027	2.98%	\$ 955,000	\$ 865,296	\$ -	\$ 109,957
Distribution/Owners:		General Fund Golf Fund	86.39% 13.61%		825,025 129,976	747,529 117,767	- -	94,992 14,965
15 UsBancorp #7	18/19	5 Yrs	8/31/2023	3.41%	\$ 200,000	\$ 200,000	\$ -	\$ 43,308
Distribution/Owners:		Bridge Fund	100.00%		200,000	200,000	-	43,308
				General Fund	\$ 11,058,852	\$ 6,934,104	\$ 58,575	\$ 1,844,035
				Utility Fund	1,959,019	1,690,131	-	306,819
				Bridge Fund	2,649,033	1,870,069	35,129	535,809
				Golf Fund	350,013	281,280	2,099	55,805
				Garage Fund	52,446	16,287	664	7,967
City-Wide Total					\$ 16,069,363	\$ 10,791,870	\$ 96,466	\$ 2,750,435

CITY OF PHARR, TX
Detailed Investment Report
As of December 31, 2018

Investment	Par	VALUES -September 30, 2018		Book Increase/(Decrease)		Market Increase/(Decrease)		VALUES - December 31, 2018	
		Book	Market	Purchases/ Withdrawals	Accruals/ Amortizations	Purchases & Withdrawals	Change In Market Price	Book	Market
DEMAND DEPOSITS									
<i>Pooled Cash:</i>									
Depository Bank - Pooled Cash	\$ 18,416,409	\$ 18,416,409	\$ 18,416,409	\$ (286,081)	\$ -	\$ (286,081)	\$ -	\$ 18,130,328	\$ 18,130,328
<i>Non - Pooled Cash:</i>									
Depository Bank - General	578,097	578,097	578,097	(69,044)	-	(69,044)	-	509,053	509,053
Depository Bank - Utility	11,758,546	11,758,546	11,758,546	(4,312,207)	-	(4,312,207)	-	7,446,339	7,446,339
Depository Bank - Bridge	5,485,599	5,485,599	5,485,599	(19,001)	-	(19,001)	-	5,466,598	5,466,598
Depository Bank - Other	26,971,174	26,971,174	26,971,174	20,350,759	-	20,350,759	-	47,321,933	47,321,933
	<u>\$ 63,209,825</u>	<u>\$ 63,209,825</u>	<u>\$ 63,209,825</u>	<u>\$ 15,664,425</u>	<u>\$ -</u>	<u>\$ 15,664,426</u>	<u>\$ -</u>	<u>\$ 78,874,250</u>	<u>\$ 78,874,251</u>
CERTIFICATES OF DEPOSIT									
Certificates of Deposit - General	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 600,000</u>	<u>\$ 600,000</u>
	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000
INVESTMENT POOLS									
Tex-Pool	<u>\$ 4,011,678</u>	<u>\$ 4,011,678</u>	<u>\$ 4,011,678</u>	<u>\$ 22,403</u>	<u>\$ -</u>	<u>\$ 22,403</u>	<u>\$ -</u>	<u>\$ 4,034,081</u>	<u>\$ 4,034,081</u>
	\$ 4,011,678	\$ 4,011,678	\$ 4,011,678	\$ 22,403	\$ -	\$ 22,403	\$ -	\$ 4,034,081	\$ 4,034,081
	<u>\$ 67,821,503</u>	<u>\$ 67,821,503</u>	<u>\$ 67,821,503</u>	<u>\$ 15,686,828</u>	<u>\$ -</u>	<u>\$ 15,686,829</u>	<u>\$ -</u>	<u>\$ 83,508,331</u>	<u>\$ 83,508,332</u>

CITY OF PHARR, TX
Comparison of Portfolio to Policy Limits
As of December 31, 2018

<u>LIMITS ON TYPES OF SECURITIES</u>	<u>Target Investment Level</u>	<u>Portfolio Cap</u>	<u>Actual Percentage of Portfolio</u>	<u>Positive/(Negative) % Variance Policy Limits</u>
Demand Deposits	N/A	N/A	100.00%	N/A
Money Market Mutual Funds	0%	10%	0.00%	10.00%
Certificates of Deposit	10%	50%	1.21%	48.7900%
U. S. Treasury Obligations	15%	100%	0.00%	100.00%
U. S. Government Securities	20%	100%	0.00%	100.00%
Repurchase Agreements	5%	100%	0.00%	100.00%
Public Funds Investment Pools	50%	100%	0.39%	99.61%
Commercial Paper	0%	25%	0.00%	25.00%
Guaranteed Investment Contracts	0%	25%	0.00%	25.00%

<u>LIMITS ON MATURITIES</u>	<u>Minimum Allowable Percentage of Portfolio</u>	<u>Actual Percentage of Portfolio</u>	<u>Positive/(Negative) % Variance Policy Limits</u>
Available within 1 month	25%	100.00%	75.00%
Available within 3 months	33%	100.00%	67.00%
Available within 6 months	45%	100.00%	55.00%
Available within 1 year	60%	100.00%	40.00%
Available within 2 years	70%	0	N/A

	<u>Maximum Allowable</u>	<u>Maximum Actual Maturity</u>	<u>Policy Limit Days Available</u>
<u>Days to Maturity</u>	730	592	138.00

CITY OF PHARR, TX
Market Value Analysis
As of December 31, 2018

CHANGES IN MARKET VALUE:

BEGINNING VALUE - September 30, 2018	\$	67,221,503
<u>INVESTMENT ACTIVITY:</u>		600,000.00
Bank and Pooled Investment Deposits/(Withdrawals) - Net		15,686,829
ENDING VALUE - December 31, 2018	\$	83,508,332

COMPARISON OF BOOK VALUE TO MARKET VALUE:

BEGINNING VALUE - September 30, 2018

Market Value	\$	63,209,825	
Book Value	\$	63,209,825	
Ratio of Market Value to Book Value			100.00%

ENDING VALUE - December 31, 2018

Market Value	\$	78,874,250	
Book Value	\$	78,874,251	
Ratio of Market Value to Book Value			100.00%

CITY OF PHARR, TX
Calculation of Weighted Average Maturity and Yield
As of December 31, 2018

	<u>Market Value</u>	<u>Book Value</u>	<u># of Days To Maturity</u>	<u>Original Yield to Maturity</u>	<u>Percent of Portfolio</u>
Demand Deposits					
Depository Bank - Pooled Cash	\$18,130,328	\$18,130,328	1	0.20%	21.71%
Depository Bank - General	509,053	\$509,053	1	0.20%	0.61%
Depository Bank - Utility	7,446,339	\$7,446,339	1	0.20%	8.92%
Depository Bank - Bridge	5,466,598	\$5,466,598	1	0.20%	6.55%
Depository Bank - Other	<u>47,321,933</u>	<u>\$47,321,933</u>	1	0.20%	<u>56.67%</u>
	\$78,874,251	\$78,874,251			94.45%
Certificates of Deposit					
Certificates of Deposit - General	\$300,000	\$300,000	397	1.21%	0.36%
Certificates of Deposit (2) - General	<u>\$300,000</u>	<u>\$300,000</u>	592	1.26%	<u>0.36%</u>
	\$600,000	\$600,000			0.72%
Investment Pools					
Tex-Pool	<u>\$4,034,081</u>	<u>\$4,034,081</u>	1	0.39%	<u>4.83%</u>
	\$4,034,081	\$4,034,081			4.83%
TOTAL	<u>\$83,508,332</u>	<u>\$83,508,332</u>			<u>100.00%</u>
Weighted Average Maturity					
Weighted Average Days to Maturity				4.55	
Weighted Average Days to Maturity - (excl. depository bank)				64.90	
Weighted Average Yield					
Weighted Average Yield				0.21%	
Weighted Average Yield - Operating (excluding depository bank)				0.21%	
Average Federal Fund Rate at March 31, 2018				2.42%	
Yield to Maturity of 6 month T-Bill at March 31, 2018 (secondary markets)				2.46%	

CITY OF PHARR, TX
Year To Date Investment Transaction Report
As of December 31, 2018

PURCHASES

<u>Date</u>	<u>Type</u>	<u>Investment</u>	<u>Purchased From</u>	<u>Principal Purchase Price</u>	<u>Market Value</u>	<u>Yield/Int. Discount Rate</u>	<u>Maturity Date</u>
8/17/2016	Investment Pool	Public Funds	Tex Pool	\$3,921,500	\$4,034,081	0.39%	
7/31/2017	Certificate of Deposit	Public Funds	LSNB	\$300,000	\$300,000	1.21%	7/31/2019
5/23/2018	Certificate of Deposit	Public Funds	LSNB	\$300,000	\$300,000	1.26%	5/23/2020
Total Purchases				\$ <u>4,521,500</u>	\$ <u>4,634,081</u>		

MATURITIES

<u>Date</u>	<u>Type</u>	<u>Investment</u>	<u>Matured From</u>	<u>Principal Purchase Price</u>	<u>Par Value</u>	<u>Yield/Int. Discount Rate</u>	<u>Maturity Date</u>
Total Maturities				\$ <u>-</u>	\$ <u>-</u>		

City of Pharr
Depository Security Collateral Analysis

	October 2018		November 2018		December 2018	
	<u>Highest Bal</u>	<u>Ending Bal</u>	<u>Highest Bal</u>	<u>Ending Bal</u>	<u>Highest Bal</u>	<u>Ending Bal</u>
Depository Bank - Pooled Cash	\$ 35,505,283	\$ 15,802,184	\$ 15,987,889	\$ 14,416,367	\$ 18,130,328	\$ 18,130,328
Depository Bank - General	589,358	589,358	592,114	592,114	593,984	509,053
Depository Bank - Utility	7,471,968	7,471,968	7,342,127	7,342,127	7,446,339	7,446,339
Depository Bank - Bridge	5,455,584	5,455,584	5,458,816	5,458,816	5,466,597	5,466,597
Depository Bank - Other	51,223,083	50,404,535	51,681,994	49,191,867	51,207,408	47,321,933
Depository Bank-PEDC	3,188,649	3,077,904	3,256,558	2,975,969	2,986,340	2,594,874
	\$ 103,433,925	\$ 82,801,532	\$ 84,319,497	\$ 79,977,258	\$ 85,830,996	\$ 81,469,123
LSNB - Balance	\$ 103,433,925	\$ 82,801,532	\$ 84,319,497	\$ 79,977,258	\$ 85,830,996	\$ 81,469,123
Collateral - LSNB	\$ 88,689,123	\$ 88,689,123	\$ 86,370,269	\$ 86,370,269	\$ 90,735,000	\$ 90,735,000
Over / (Under) collateral	\$ (14,744,802)	\$ 5,887,591	\$ 2,050,772	\$ 6,393,011	\$ 4,904,004	\$ 9,265,877
Percent of balance *	-14.3%	7.1%	2.4%	8.0%	5.7%	11.4%

* Highest Balance collateral in negative due to fluctuation in daily activity from Pooled Cash and PEDC accounts.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.E.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: City Events of Interest.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/11/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.A.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Alex Meade

Agenda Item: Approval of Minutes for February 18, 2019 Regular Meeting and March 4, 2019 Regular Meeting.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Minutes meetings held on Monday, February 18, 2019 and Monday, March 4, 2018.

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Hilda Pedraza
City Management Office

Created/Initiated - 3/12/2019
Final Approval - 3/15/2019

**MINUTES
BOARD OF COMMISSIONERS
REGULAR CALLED MEETING
MONDAY, FEBRUARY 18, 2019
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Regular Called Meeting on Monday, February 18, 2019 and following is the record of attendance.

BOARD OF COMMISSIONERS PRESENT: Mayor Ambrosio Hernandez
Comm. Eleazar Guajardo
Comm. Roberto “Bobby” Carrillo
Comm. Ramiro Caballero
Comm. Daniel Chavez
Comm. Ricardo Medina

BOARD OF COMMISSIONERS ABSENT: Comm. Mario Bracamontes

STAFF PRESENT: Alex Meade, City Manager
Edward Wylie, Deputy City Manager
Hilda Pedraza, City Clerk
Omar Anzaldua, City Engineer
Gary Rodriguez, Events Center Director
Karla Moya, Finance Director
Anali Alanis, HR Director
Leonardo Perez, Fire Chief
Jose Luengo, Police Chief
Melanie Cano, Dev. Services Dir.
Rick Pedraza, Public Works Director
Jose Villescascas, Public Utilities Director
Sergio Alanis, Parks & Rec. Director
Raul Garza, CDBG Director
Adolfo Garcia, Library Director
Jose Pena, I.T. Director
Luis Bazan, Bridge Director
Danny Ramirez, Communications Dir.
Victor Perez, PEDC Director

CITY ATTORNEY Patricia Rigney, City Attorney

ITEM 1. CALL TO ORDER

A) ROLL CALL AND POSSIBLE ACTION ON THE EXCUSING OF ANY ABSENT MEMBER OF THE GOVERNING BODY

Mayor Hernandez called the meeting to order at 4:00 p.m. Roll call established a quorum.

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Comm. Carrillo moved to excuse the absent member. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

B) PLEDGE OF ALLEGIANCE/INVOCATION

Luis Bazan, Bridge Director, led in the pledge of allegiance and said the invocation.

ITEM 2. PUBLIC HEARINGS

A) PUBLIC HEARING ON DEVELOPMENT SERVICES CASES

None

ITEM 3. CITY MANAGER'S REPORTS

A) SUBMISSION OF SALES TAX COLLECTION REPORT FOR FEBRUARY 2019

Alex Meade, City Manager, introduced the sales tax collection report for the month of February 2019 and stated there was a growth of 43.69%. He further stated there was a request pending regarding details on change.

B) SUBMISSION OF JANUARY 2019 TAX COLLECTION REPORT

Alex Meade, City Manager, introduced the tax collection report for the month of January 2019. He reported the current tax collections as of January 2019 were \$15,523,711 or 80.87% collected out of the year's levy, which was 0.79% higher than last year.

C) CITY EVENTS OF INTEREST

Alex Meade, City Manager, reported the Pharr Memorial Library would be hosting a Dr. Seuss birthday celebration on February 28, 2019 from 6:00 p.m. to 8:00 p.m. at the Development and Research Center. He stated there will be games, raffles, prizes, crafts and story time activities and invited everyone to attend.

Alex Meade, City Manager, reported the Parks and Recreation Department would be having the 13th Annual St. Patrick's Day 5K Run/Walk on Saturday, March 16, 2019 at the PSJA Stadium. He stated the kids one-mile run begins at 8:00 a.m. and the 5K begins at 9:00 a.m. The fees to participate were \$15 for adults and \$5 for kids 17 and under.

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Alex Meade, City Manager, stated the City of Pharr and PSJA ISD would be having the "It's Time Texas Community Challenge" which was free, fun and a healthy living competition that helps create healthy habits. He further stated the City of Pharr was currently ranked 3rd in the state within its category and the community with the most points in each size category would receive a community grant to put towards future health-related efforts.

At this time, Alex Meade, City Manager, called upon Pedro Garcia from the Pharr Community Theatre to share a few announcements.

Pedro Garcia thanked the City Commission for the continued support and stated the Pharr Community Theatre was happy and grateful to be in the city of Pharr. He extended an invitation to the Commission and the public to attend their play "Estoy en el Rincon" and stated the theatre would be opened April 25, 2019 to May 5, 2019.

ITEM 4. CONSENT AGENDA

- A) APPROVAL OF MINUTES FOR FEBRUARY 7, 2019 REGULAR CALLED MEETING (ADMINISTRATION)**
- B) CONSIDERATION AND ACTION ALLOWING A CIRCUS TO BE HELD FEBRUARY 28 THROUGH MARCH 4, 2019 AT 2301 N. CAGE AND WAIVE APPLICATION FEES (FIRE)**
- C) CONSIDERATION AND ACTION ALLOWING A CARNIVAL AND FUN FAIR TO BE HELD MARCH 4 THROUGH MARCH 17, 2019 AT 2301 N. CAGE AND WAIVE APPLICATION FEES (FIRE)**
- D) CONSIDERATION AND ACTION TO ADD J&R ENGINEERING, LLC OF MISSION, TEXAS TO THE CITY OF PHARR'S LIST OF QUALIFIED FIRMS TO PROVIDE PROFESSIONAL ENGINEERING SERVICES REQUIRING CIVIL ENGINEERING AND CONSTRUCTION MANAGEMENT (ENGINEERING)**
- E) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ADVERTISE FOR REQUEST FOR PROPOSALS FOR CONSULTATION SERVICES FOR THE CITY OF PHARR COMMUNITY DEVELOPMENT BLOCK GRANT (HUD) FIVE (5) YEAR CONSOLIDATED PLAN (GMCD)**
- F) CONSIDERATION AND ACTION AUTHORIZING CITY MANAGER TO ADVERTISE FOR REQUESTS FOR QUALIFICATIONS FOR ENERGY CONSULTANT SERVICES (ADMINISTRATION)**

G) CONSIDERATION AND ACTION AUTHORIZING CITY MANAGER TO ADVERTISE FOR BIDS FOR THE LAS MILPAS ROADWAY INTERSECTION IMPROVEMENTS (ENGINEERING)

H) CONSIDERATION AND ACTION ON DEVELOPMENT SERVICES CASES:

1. RED TAPE II, INC., D/B/A STILETTOS GENTLEMEN'S CLUB REQUESTED RENEWAL OF THE SEXUALLY ORIENTED BUSINESS LICENSE IN A GENERAL BUSINESS DISTRICT (C).THE PROPERTY IS LEGALLY DESCRIBED AS ALL OF LOT 2, ALBRAD SUBDIVISION UNIT #3, PHARR, HIDALGO COUNTY, TEXAS.THE PROPERTY'S PHYSICAL ADDRESS IS 1050 NORTH SUGAR ROAD. SOB#001254
2. PIZZA PROPERTIES, INC., D/B/A PETER PIPER PIZZA #63, REQUESTED RENEWAL OF THE CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS LOT 1, PLEASANTON SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS.THE PROPERTY'S PHYSICAL ADDRESS IS 1715 SOUTH CAGE BOULEVARD. CUP#060104
3. SHOTS MAIN EVENT, LLC, D/B/A MAIN EVENT ENTERTAINMENT, REQUESTED RENEWAL OF THE CONDITIONAL USE PERMIT AND LATE HOURS PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING A 1.34 ACRE TRACT OF LAND MORE OR LESS, OUT OF LOT 4A, REPLAT OF VACATED CAR-MEL SUBDIVISION, VACATED EL CENTRO MALL NO. 3 & 4 SUBDIVISION PHARR, HIDALGO COUNTY, TEXAS.THE PROPERTY'S PHYSICAL ADDRESS IS 500 NORTH JACKSON ROAD, SUITE C. CUP#140101
4. CADENA AND SONS, L.L.C. D/B/A TEJAS RESTAURANT AND SPORTS BAR, REQUESTED RENEWAL OF THE CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS LOT 11, MACO INDUSTRIAL PARK SUBDIVISION, PHARR, HIDALGOCOUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 1308 MACO DRIVE. CUP#161261
5. CRAFTON COMMUNICATIONS, REPRESENTING T-MOBILE, REQUESTED A LIFE-OF-THE-USE CONDITIONAL USE PERMIT TO ALLOW THE CO-LOCATION OF TELECOMMUNICATION EQUIPMENT ON AN EXISTING TOWER IN AN AGRICULTURAL AND/OR OPEN SPACE DISTRICT (A-O).THE PROPERTY IS LEGALLY DESCRIBED AS BEING A 0.11 ACRE TRACT OF LAND, MORE OR LESS, OUT OF LOT 1, IGLESIA APOSTOLICA DE LA FE EN CRISTO JESUS SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS.THE PROPERTY IS PHYSICALLY LOCATED AT 8801 SOUTH CAGE BOULEVARD. CUP#190101
6. ILLENIUUM EVENT CENTER REQUESTED A CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A BUSINESS DISTRICT (C-2). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOTS 26 AND 27, BLOCK 2, J.T. DOSTER SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 125 EAST NEWCOMBE AVENUE (PARK). CUP#190102

7. VINCENT GERARD & ASSOCIATES, INC., REPRESENTING VERIZON WIRELESS, REQUESTED A LIFE-OF-THE-USE CONDITIONAL USE PERMIT TO ALLOW A NEW TELECOMMUNICATION TOWER IN A SINGLE-FAMILY RESIDENTIAL DISTRICT (R-1).THE PROPERTY IS LEGALLY DESCRIBED AS BEING A 0.04 ACRE TRACT OF LAND, MORE OR LESS, OUT OF LOT 1, GRACE COMMUNITY CHURCH SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS.THE PROPERTY IS PHYSICALLY LOCATED AT 133 NORTH SUGAR ROAD. CUP#190104

Alex Meade, City Manager, introduced the item.

Comm. Guajardo **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

REGULAR AGENDA - OPEN SESSION

ITEM 5. CONTRACTS/AGREEMENTS

- A) **CONSIDERATION AND ACTION, IF ANY, ON INTERLOCAL AGREEMENT WITH HIDALGO COUNTY AND THE CITY OF PHARR FOR LIBRARY SERVICES FOR COUNTY CALENDAR YEAR 2019 (LIBRARY)**

Alex Meade, City Manager, introduced the item.

Comm. Guajardo **moved** to approve. Comm. Carrillo seconded the motion and when put to a vote, it carried unanimously.

- B) **CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO AWARD PROPOSAL AND TO NEGOTIATE CONTRACT FOR THE FINANCIAL ADVISORY SERVICES FOR FY 2018-2019 (PROJECT NO. 1819-01-511-S012-050) (FINANCE)**

Alex Meade, City Manager, introduced the item and stated item would be discussed in closed session.

- C) **CONSIDERATION AND ACTION, IF ANY, ON AWARD OF CONTRACT FOR THE CITY OF PHARR INTERNATIONAL BRIDGE FACILITY EXPANSION AND RENOVATIONS (PROJECT NO. 1819-70-510-C007-393) (ENGINEERING)**

Alex Meade, City Manager, introduced the item and recommended award of contract to the highest scoring proposal submitted by International Consulting Engineers. He stated the amount for base proposal and allowances was \$1,099,693.67

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and \$64,623 for Alternate No. 1 for a total contract amount of \$1,164,316.67. He further stated staff rejected Alternate No. 2.

Comm. Medina **moved** to approve as recommended. Comm. Carrillo seconded the motion and when put to a vote, it carried by majority vote of five (5) ayes and one (1) abstention. Comm. Chavez abstained.

D) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ENTER INTO A MASTER SERVICE AGREEMENT FOR CONSTRUCTION MATERIAL TESTING (CMT) & GEOTECH SERVICES (PROJECT # 1718-01-528-S016-187) WITH THE GEOTECHNICAL FIRMS CURRENTLY ON CITY OF PHARR'S ROTATION LIST (ENGINEERING)

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

E) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO A CONTRACT WITH ELECTION SYSTEMS & SOFTWARE (ES&S) FOR ELECTION EQUIPMENT (ADMINISTRATION)

Alex Meade, City Manager, introduced the item and stated item would be discussed in closed session.

ITEM 6. ORDINANCES AND RESOLUTIONS

A) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2019-03 CALLING THE CITY OF PHARR GENERAL MUNICIPAL ELECTION FOR MAY 4, 2019, FOR ELECTION OF MAYOR, CITY COMMISSIONERS PLACES 1, 5, AND 6. (CONSIDERACIÓN Y ACCIÓN, EN ORDENANZA PARA ORDENAR LA ELECCIÓN MUNICIPAL GENERAL DE LA CIUDAD DE PHARR EL 4 DE MAYO DE 2019, PARA ELEGIR AL ALCALDE, COMISIONADOS LUGARES 1, 5, Y 6.) (ADOPTION ON 1ST READING) (ADMINISTRATION)

Alex Meade, City Manager, introduced the item and stated item would be discussed in closed session.

B) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION AUTHORIZING INTERLOCAL AGREEMENT AND GATEWAY MONUMENT AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) FOR THE GATEWAY MONUMENT TO BE LOCATED ON EAST BOUND IH 2

**FRONTAGE RD., BETWEEN JACKSON RD. AND PETUNIA ST.
(ENGINEERING)**

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-02 is filed with the City Clerk's Office.

C) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION AUTHORIZING INTERLOCAL AGREEMENT AND GATEWAY MONUMENT AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) FOR THE GATEWAY MONUMENT TO BE LOCATED ON CAGE BLVD., BETWEEN NEWCOMBE AVE. AND CAFFERY AVE. (ENGINEERING)

Alex Meade, City Manager, introduced the item.

Comm. Guajardo **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-03 is filed with the City Clerk's Office.

D) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION APPOINTING/RE-APPOINTING THREE (3) REGULAR MEMBERS AND ONE (1) ALTERNATE MEMBER TO THE PHARR POLICE DEPARTMENT TRAINING ADVISORY BOARD (POLICE)

Alex Meade, City Manager, introduced the item.

Comm. Carrillo **moved** to re-appoint Janie Fuentes, Juan Villescas, and Roy Vargas to the Pharr Police Department Training Advisory Board. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-04 is filed with the City Clerk's Office.

E) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION APPOINTING/RE-APPOINTING NINE (9) MEMBERS TO THE COMMUNITY DEVELOPMENT COUNCIL BOARD (GMCD)

Alex Meade, City Manager, introduced the item.

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Comm. Carrillo **moved** to re-appoint Jose G. Rodriguez, Marco Gonzalez, Danny Smith, Ruben Solis, Belia Garcia, Norma Trevino and Joe Hinojosa to the Community Development Council. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-05 is filed with the City Clerk's Office.

F) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION APPOINTING ONE (1) MEMBER TO THE PHARR ECONOMIC DEVELOPMENT CORPORATION II BOARD OF DIRECTORS (PEDC II)

Alex Meade, City Manager, introduced the item. He briefly stated board member Jerry Munoz had resigned and recommended Efrain Matamoros.

Comm. Carrillo **moved** to appoint Efrain Matamoros to the Pharr Economic Development Corporation II Board of Directors. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-06 is filed with the City Clerk's Office.

G) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION TO APPLY FOR THE 2020 LOCAL BORDER SECURITY PROGRAM #2991405 (POLICE)

Alex Meade, City Manager, introduced the item.

Comm. Chavez **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-07 is filed with the City Clerk's Office.

H) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION CREATING A CENSUS 2020 COMPLETE COUNT COMMITTEE (GMCD)

Alex Meade, City Manager, introduced the item.

Comm. Carrillo **moved** to approve. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-08 is filed with the City Clerk's Office.

I) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION UPDATING AUTHORIZED SIGNATURES FOR CITY OF PHARR CHECKS WITH LONE STAR NATIONAL BANK (FINANCE)

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried by majority vote of five (5) ayes and one (1) abstention. Mayor Hernandez abstained.

Resolution No. R-2019-09 is filed with the City Clerk's Office.

ITEM 7. ADMINISTRATIVE

- A) CONSIDERATION AND ACTION, IF ANY, ON CHANGE ORDER #2 ADDING (33) DAYS TO CONTRACT TIME AND ACCEPTANCE OF JONES BOX PARK LANDSCAPE & IRRIGATION IMPROVEMENTS AS COMPLETE, AND AUTHORIZING THE RELEASE OF FINAL PAYMENT AND RETAINAGE IN THE AMOUNT OF \$4,131.70 (PROJECT NUMBER 1617-01-528-0028) (ENGINEERING)**

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

- B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ADVERTISE FOR REQUEST FOR PROPOSALS FOR CONSULTATION SERVICES FOR THE CITY OF PHARR COMMUNITY DEVELOPMENT BLOCK GRANT (HUD) FIVE (5) YEAR CONSOLIDATED PLAN (GMCD)**

Alex Meade, City Manager, introduced the item and stated this was a duplicate item and had already been approved under consent agenda.

- C) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO REJECT BIDS FOR PURCHASE OF ONE (1) CURRENT MODEL 300KW NATURAL GAS GENERATOR (PROJECT #1819-39-510-P005-064) AND TO SOLICIT QUOTES FROM COOPERATIVE PURCHASING PROGRAM(S) AWARDING A PURCHASE CONTRACT (PROJECT #1819-39-510-P010-002) (COMMUNICATIONS)**

Alex Meade, City Manager, introduced the item.

Comm. Carrillo **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

D) DISCUSSION AND POSSIBLE ACTION REGARDING THE SUBMITTAL OF PROJECT INFORMATION FORMS (PIFS) TO THE TEXAS WATER DEVELOPMENT BOARD FOR WATER AND WASTEWATER IMPROVEMENT PROJECTS FOR THE FY 2020 FUNDING CYCLE (ENGINEERING)

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

ITEM 8. PURCHASING

A) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO AWARD A PURCHASE CONTRACT TO DESIGNS THAT COMPUTE DBA VISIONALITY FOR THE PURCHASE AND INSTALLATION OF VIDEO WALL SYSTEM (PROJECT NO. 1819-39-510-P006-88) (COMMUNICATIONS)

Alex Meade, City Manager, introduced the item.

Comm. Carrillo **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO PURCHASE ACCESS CONTROL SYSTEM FROM DHS SECURITY, LLC DBA 3SIXTY INTERGRATED THROUGH BUYBOARD COOPERATIVE CONTRACT (PROJECT 1819-39-510-P011-003; BUYBOARD CONTRACT #574-18) (COMMUNICATIONS)

Alex Meade, City Manager, introduced the item.

Comm. Medina **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

ITEM 9. CLOSED SESSION: IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOV'T. CODE, THE PHARR BOARD OF COMMISSIONERS HEREBY GIVES NOTICE THAT IT MAY MEET IN A CLOSED (NON-PUBLIC) EXECUTIVE SESSION TO DISCUSS THE ITEMS LISTED ON THE PUBLIC PORTION OF THE MEETING AGENDA IN ACCORDANCE WITH THE FOLLOWING BELOW

The time being 4:10 p.m., Mayor Hernandez stated the commission would be entering into closed session in accordance with Chapter 551 of the Texas Govt. Code to

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discuss agenda items listed in the public portion of the agenda and Pursuant to Sections 551.071, 551.072, 551.074, 551.076, 551.084 and 551.087.

ITEM 10. RECONVENE

The time being 4:33 p.m., Mayor Hernandez stated the commission would be resuming the open meeting.

ITEM 5. CONTRACTS/AGREEMENTS

- B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO AWARD PROPOSAL AND TO NEGOTIATE CONTRACT FOR THE FINANCIAL ADVISORY SERVICES FOR FY 2018-2019. (PROJECT NO. 1819-01-511-S012-050) (FINANCE)**

Alex Meade, City Manager, introduced the item and recommended approval as discussed in closed session.

Comm. Medina **moved** to approve. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

- E) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO A CONTRACT WITH ELECTION SYSTEMS & SOFTWARE (ES&S) FOR ELECTION EQUIPMENT (ADMINISTRATION)**

Alex Meade, City Manager, introduced the item and recommended approval as discussed in closed session.

Comm. Carrillo **moved** to approve. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

ITEM 6. ORDINANCES AND RESOLUTIONS

- A) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2019-03 CALLING THE CITY OF PHARR GENERAL MUNICIPAL ELECTION FOR MAY 4, 2019, FOR ELECTION OF MAYOR, CITY COMMISSIONERS PLACES 1, 5, AND 6. (CONSIDERACIÓN Y ACCIÓN, EN ORDENANZA PARA ORDENAR LA ELECCIÓN MUNICIPAL GENERAL DE LA CIUDAD DE PHARR EL 4 DE MAYO DE 2019, PARA ELEGIR AL ALCALDE, COMISIONADOS LUGARES 1, 5, Y 6.) (ADOPTION ON 1ST READING) (ADMINISTRATION)**

MINUTES: REGULAR MEETING
FEBRUARY 18, 2019

Alex Meade, City Manager, introduced the item and stated no action was necessary.

ITEM 11. ADJOURNMENT

There being no other business to come before the board, Comm. Guajardo **moved** to adjourn. Comm. Chavez seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 4:37 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR**

ON THIS THE 18th DAY OF FEBRUARY 2019 the Board of Commissioners of the City of Pharr, Texas convened in a **REGULAR CALLED MEETING** at the Commissioner's Room located at 118 S. Cage, 2nd Floor, Pharr, Texas. The meeting being open to the public and notice of said meeting, giving the date, place, subject, hereof, having been posted in accordance with Chapter 551, Texas Government Code (Open Meetings Act) and there being present a quorum, I, **HILDA PEDRAZA, CITY CLERK**, of the City of Pharr, Texas, certify that this is a true and correct copy of the minutes.

ATTEST:

HILDA PEDRAZA, CITY CLERK

APPROVED:

**MINUTES
BOARD OF COMMISSIONERS
REGULAR CALLED MEETING
MONDAY, MARCH 4, 2019
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Regular Called Meeting on Monday, March 4, 2019 and following is the record of attendance.

BOARD OF COMMISSIONERS PRESENT: Mayor Ambrosio Hernandez
Comm. Eleazar Guajardo
Comm. Roberto “Bobby” Carrillo
Comm. Ramiro Caballero
Comm. Ricardo Medina
Comm. Mario Bracamontes

BOARD OF COMMISSIONERS ABSENT: Comm. Daniel Chavez

STAFF PRESENT: Alex Meade, City Manager
Edward Wylie, Deputy City Manager
Hilda Pedraza, City Clerk
Omar Anzaldua, City Engineer
Gary Rodriguez, Events Center Director
Karla Moya, Finance Director
Anali Alanis, HR Director
Marissa Hernandez, Municipal Judge
Leonardo Perez, Fire Chief
Jose Luengo, Police Chief
Melanie Cano, Dev. Services Dir.
Ricardo Pedraza, Public Works Director
Jose Villescas, Public Utilities Director
Sergio Alanis, Parks & Rec. Director
Raul Garza, CDBG Director
Adolfo Garcia, Library Director
Jose Pena, I.T. Director
Luis Bazan, Bridge Director
Sandra Zamora, Purchasing Dir.
Danny Ramirez, Communications Dir.

CITY ATTORNEY Patricia Rigney, City Attorney

ITEM 1. CALL TO ORDER

A) ROLL CALL AND POSSIBLE ACTION ON THE EXCUSING OF ANY ABSENT MEMBER OF THE GOVERNING BODY

Mayor Hernandez called the meeting to order at 4:01 p.m. Roll call established a quorum.

Comm. Carrillo **moved** to excuse the absent member. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

B) PLEDGE OF ALLEGIANCE/INVOCATION

Luis Bazan, Bridge Director, led in the pledge of allegiance and said the invocation.

ITEM 2. PROCLAMATIONS:

A) PROCLAMATION PROCLAIMING IHOP'S FREE PANCAKE DAY AND SHRINERS HOSPITALS FOR CHILDREN DAY (ADMINISTRATION)

Gilbert Medina, Shriners Hospital of South Texas representative, thanked the commission for the recognition and extended an invitation to all to attend their fundraiser event on March 12, 2019 at IHOP Restaurant.

Mayor Hernandez read proclamation proclaiming March 12, 2019 as IHOP's Free Pancake Day and Shriners Hospitals for Children Day.

ITEM 3. PUBLIC HEARINGS:

A) PUBLIC HEARING ON DEVELOPMENT SERVICES CASES

None

ITEM 4. CITY MANAGER'S REPORTS

A) CITY EVENTS OF INTEREST

Alex Meade, City Manager, reported on the upcoming 13th Annual St. Patrick's Day 5K Run/Walk on Saturday, March 16, 2019 at the PSJA Stadium.

At this time, Mr. Meade recognized Isabel Ozuna, Telecommunications Officer, for receiving the Silent Hero Award and congratulated her for her exceptional professionalism in the field of public safety.

Alex Meade, City Manager, further reported the City of Pharr and Chick-Fil-A would be co-hosting a Sprint Triathlon on Saturday, March 9, 2019 at 7:00 a.m. However, the event was sold out.

ITEM 5. CONSENT AGENDA

A) CONSIDERATION AND ACTION ON REQUEST FROM ARISE FOR POLICE ASSISTANCE DURING THEIR INTERNATIONAL WOMEN'S DAY ON FRIDAY, MARCH 8, 2019 (POLICE)

B) CONSIDERATION AND ACTION ON DEVELOPMENT SERVICES CASES:

1. PAPPAS RESTAURANTS, INC., D/B/A PAPPADEAUX SEAFOOD KITCHEN, REQUESTED RENEWAL OF THE CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS LOT 2, PAPPAS SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 1610 WEST EXPRESSWAY 83. CUP#100103
2. TAQUERIA BORREGO PINTO REQUESTED RENEWAL OF THE CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOT 212, VALLE DE LA PRIMAVERA SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 6615 SOUTH JACKSON ROAD. CUP#180208
3. TRINIDAD ROCHA, D/B/A MARISCOS EL CAPITAN, REQUESTED A CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOT 210, VALLE DE LA PRIMAVERA SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 6619 SOUTH JACKSON ROAD. CUP#190210

Alex Meade, City Manager, introduced the item.

Comm. Carrillo **moved** to approve. Comm. Caballero seconded the motion and when put to a vote, it carried unanimously.

REGULAR AGENDA - OPEN SESSION

ITEM 6. ORDINANCES/RESOLUTIONS

A) CONSIDERATION AND ACTION, ON ORDINANCE RENAMING PUBLIC ROADWAY FROM RANCHO BLANCO ROAD TO JAVALINA DRIVE (1ST READING) (DEVELOPMENT SERVICES)

Alex Meade, City Manager, introduced the item and stated this was the first reading of the ordinance. He further stated there was a typo on the word Javelina and recommended approval.

Comm. Carrillo **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

B) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION AUTHORIZING EMERGENCY HIRING IN THE COMMUNICATIONS DEPARTMENT (HR)

Alex Meade, City Manager, introduced the item and recommended approval.

Comm. Carrillo **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2019-10 is filed with the City Clerk's Office.

ITEM 7. ADMINISTRATIVE

A) CONSIDERATION AND ACTION, IF ANY, ON CHANGE ORDER NO.1 FOR THE MOORE RD. 24" SANITARY SEWER IMPROVEMENTS EMERGENCY PROJECT (#1819-61-587-C003-001) (ENGINEERING)

Alex Meade, City Manager, introduced the item and recommended approval of Change Order No. 1 submitted by Saenz Brothers Construction increasing the contract amount by \$199,556.

Comm. Bracamontes **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

ITEM 8. CONTRACTS/AGREEMENTS

A) CONSIDERATION AND ACTION, IF ANY, ON AGREEMENT BETWEEN PHARR POLICE DEPARTMENT AND BEHAVIORAL HEALTH SOLUTIONS FOR SERVICES (POLICE)

Alex Meade, City Manager, introduced the item and recommended approval.

Comm. Carrillo **moved** to approve. Comm. Caballero seconded the motion and when put to a vote, it carried unanimously.

B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ENTER INTO A CONTRACT WITH MELDEN & HUNT FOR PROFESSIONAL ENGINEERING SERVICES FOR THE 12IN WATERLINE ALONG HI-LINE RD. FROM CAGE BLVD. TO MONARCH BUSINESS PARK (ENGINEERING)

Alex Meade, City Manager, introduced the item and recommended approval.

MINUTES: REGULAR MEETING
MARCH 4, 2019

Comm. Guajardo **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

ITEM 9. CLOSED SESSION: IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOV'T. CODE, THE PHARR BOARD OF COMMISSIONERS HEREBY GIVES NOTICE THAT IT MAY MEET IN A CLOSED (NON-PUBLIC) EXECUTIVE SESSION TO DISCUSS THE ITEMS LISTED ON THE PUBLIC PORTION OF THE MEETING AGENDA IN ACCORDANCE WITH THE FOLLOWING BELOW

None.

ITEM 10. RECONVENE

None.

ITEM 11. ADJOURNMENT

There being no other business to come before the board, Comm. Carrillo **moved** to adjourn. Comm. Guajardo seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 4:10 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR**

ON THIS THE 4th DAY OF MARCH 2019 the Board of Commissioners of the City of Pharr, Texas convened in a **REGULAR CALLED MEETING** at the Commissioner's Room located at 118 S. Cage, 2nd Floor, Pharr, Texas. The meeting being open to the public and notice of said meeting, giving the date, place, subject, hereof, having been posted in accordance with Chapter 551, Texas Government Code (Open Meetings Act) and there being present a quorum, I, **HILDA PEDRAZA, CITY CLERK**, of the City of Pharr, Texas, certify that this is a true and correct copy of the minutes.

ATTEST:

MINUTES: REGULAR MEETING
MARCH 4, 2019

HILDA PEDRAZA, CITY CLERK

APPROVED:

DRAFT



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.B.

DATE SUBMITTED: March 5, 2019

MEETING DATE: March 18, 2019

FROM: Leonardo Perez, Fire Chief

DEPARTMENT: Fire

DIRECTOR: Leonardo Perez

Agenda Item: Consideration and action on Resolution authorizing the Pharr Fire Department to apply for a Homeland Security Grant FY2019 State Homeland Security Program (SHSP-R) for equipment.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: We are applying for equipment for response to Hazardous Material Emergencies in the amount of . This equipment will be utilized to better serve of citizens and made available for regional response across the Valley.

Financial Consideration: This is a grant for the amount of \$190,278.00 that could be funded all or partial at no cost sharing if approved.

Staff Recommendation: Staff recommends approval of this agenda item. There are no matching funds needed for this grant that could be approved in full or partial.

Alternatives:

ROUTING:

Leonardo Perez	Created/Initiated - 3/5/2019
Leonardo Perez	Approved - 3/5/2019
Patricia Rigney	Approved - 3/8/2019
Hilda Pedraza	Approved - 3/8/2019
Sandra Zamora	Approved - 3/14/2019
Raul Garza	Approved - 3/14/2019
Karla Moya	Approved - 3/14/2019
City Management Office	Final Approval - 3/15/2019

RESOLUTION NO. R—2019 ____

**OFFICE OF THE GOVERNOR, PUBLIC SAFETY OFFICE-
HOMELAND SECURITY GRANTS DIVISION FY2019 STATE
HOMELAND SECURITY PROGRAM (SHSP-R)**

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the **Pharr Regional Hazardous Materials Response Team** project be operated from 10/01/2019 thru 09/30/2020; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Homeland Security Grants (SHSP-R) Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Office of the Governor Homeland Security Grants (SHSP-R) Division funds, The City of Pharr City Commission assures that the funds will be returned to the Office of the Governor Homeland Security Grants (SHSP-R) Division in full; and

WHEREAS, The City of Pharr City Commission designates **City Manager**, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that The City of Pharr City Commission approves submission of the grant application for **Pharr Regional Hazardous Materials Response Team** project to the Office of the Governor Homeland Security Grants (SHSP-R) Division.

**PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE
CITY OF PHARR TEXAS, THIS ____ DAY OF MARCH, 2019.**

Grant Number: [3811901](#)

CITY OF PHARR

AMBROSIO "AMOS" HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

Certification

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the ____ day of March 2019, ad.

(Resolution no. _____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the _____ day of March, 2019, ad.

City of Pharr

Hilda Pedraza, City Clerk

Project Summary:

This proposed project will reduce capability gaps by providing increased Pharr Hazardous Material Response Team (HMRT). The Team safety and improve responses to critical incidents such as terrorism-related actual terrorist incidents and complex coordinated terrorist attacks or any human made chemical warfare agents, explosives, pesticides, toxic industrial chemicals (TIC), drugs, suspicious powders, and other hazardous chemical agents.

Funding for this project will provide critical safety technology/equipment and enhanced protection for the Regional and four county areas of the Lower Valley Region. The Pharr Hazardous Material Response Team (HMRT) will be using grant funds to purchase three significant devices HAZMAT ELITE, IdentiFINDER R400, and MX908 which will ensure unambiguous identification of any chemical warfare agents, explosives, pesticides, toxic industrial chemicals (TIC), drugs, suspicious powders, and other hazardous chemical agents.

Threats have varied from transported chemicals, human trafficking, and drug smuggling. As the main respond team for any HAZMAT incident in the South Texas Region and any port of entry, the Pharr H.M.R.T. will be ready to meet and protect the community as well as other counties/smaller cities in the region who do not have their Team. The Team will utilize this safety technology/equipment when deployed to halt or secure imminent terrorism-related threats and hazards within the Lower Valley Region.

Problem Statement:

This project targets 2 of the threats and hazards identified in the LRGVDC's (COG 21)2018 THIRA page 2 which are Human Caused/ Border violence and technological Hazmat Chemical /Release Chemical. In the recent year's terrorist organizations have been crossing through Texas borders making border security the top priority in our area. Not only are we subject to terrorism but the South Texas borders are is also the main port of entry to 7-8 major drug cartels, large human trafficking cases and high commercial transportation incidents. Should and attack ever occur, the Pharr Hazardous Material Response Team would be able to respond, identify, and detect narcotics, chemical warfare agents, explosives, and rescue.

Furthermore, this proposed project will address the identified core capability of the LRGVDC's HSAC FY 2019-20 HSGD APPROVED ACTIVITY AREAS. Based on the current regional needs, the HSAC (Homeland Security Advisory Committee) selected the following approved activity areas to focus on for the FY 2019-2020 funding cycle. If awarded, we will use grant funds to purchase the specialized equipment in support of Sustaining Special Response Teams and First Responder Capabilities in our region.

Existing Capability Levels:

The Pharr Hazardous Material Response Team currently has 12 trained personnel and are a type one (1) response team. The team utilizes top of the line equipment that provides readings that list possible sources, but none which can clearly identify the source and percentage of components.

Capability Gaps:

This project will help address gaps identified in the LRGVDC (COG 21) 2018 SPR pg. 39 under Environmental Response/ Health and Safety Core Capability gaps - in which the team needs equipment such as lab services and other specialized equipment that will help support Environmental Response /Health and Safety.

Additionally, this funding will help us with the current regional needs, based on the HSAC (Homeland Security Advisory Committee) that selected the and approved activity areas to focus on for the FY 2019-2020 funding cycle for Sustaining Special Response Teams and First Responder Capabilities in our region.

Impact Statement:

The purchase of the HAZMAT ELITE, identiFINDER400, and MX908 will ensure the identification information, allow responders to share complete information and evidence among agencies and better respond and protect the workers, and citizens of the community. This project will improve the regional fused multi-discipline, all hazards response systems that ensures our region and statewide has the necessary response team and resources.

Homeland Security Priority Action:

2.2.1 Strengthen statewide and asses chemical, capability to detect biological, radio logical confirm , analyze nuclear events.

Target Group:

The 12 members of the Pharr Hazardous Material Response Team are a type one (1) response team will be the direct beneficiaries for this project. This improved equipment will enhance the Teams ability to protect the Rio Grande Valley

residents and surrounding areas to all hazards response systems by ensuring our region has the necessary resources available.

Long-Term Approach:

The city of Pharr will continue to seek local funding to maintain capabilities provided by this project. In the event that local funding is not available to replace lost, damaged, inoperable, or end of life cycle equipment, the city of Pharr will seek additional grant funding to ensure the Team maintains this capability.

Budget Narrative:

				OOG-Defined Line Item	OOG Funds	Total Project
+						
Grantee-Defined Line Item				OOG Funds	Cash Match	Total Project
The MX908TM is a multi-mission tool utilized by elite responders conducting chemical, explosive, priority drug and HazMat operations around the world. Trace-level threat detection and discriminating selectivity deliver real-time actionable intelligence in seconds.				\$70,000.00	\$0.00	\$70,000.00
+						
Grantee-Defined Line Item				OOG Funds	Total Project	Qty / % of Salary
The VeriFinder is the latest handheld radio-isotope identifier (RIID) from Symetrica, built. With Discovery Technology®, the market-leading technology for handheld identifiers. The VeriFinder uses identification capabilities that have been selected by the US. Government for Border Protection and Coast Guard missions based on ID performance, ease of use, and the built-in calibration that completely removes annual maintenance. Advanced algorithms enhance the performance of the gamma detection system and the optional neutron detector is 3. He-free, employing 6. LiZnS technology to achieve class-leading handheld sensitivity.				\$55,000.00	\$55,000.00	1
+						
Grantee-Defined Line Item				OOG Funds	Total Project	Qty / % of Salary
07CD-01-DPGC-chemical warfare agents, explosives, pesticides, toxic industrial chemicals (TIC), drugs, suspicious powders, and other hazardous chemical agents				\$65,950.00	\$65,950.00	1

Evaluation:

Output Measures	Target Level
Number of exercises conducted.	10
Number of individuals participating in exercises.	16
Number of people trained.	12
Number of Special Response Team personnel provided with new or updated equipment.	12
Number of Special Response Teams created, maintained or enhanced.	1
Number of trainings conducted.	3



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.C.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Ricardo Pedraza, Public Works Director

DEPARTMENT: Public Works

DIRECTOR:

Agenda Item: Consideration and action on Resolution entering into an agreement with Texas Department of Transportation for closure of US 281 from Old Business 83 to Kelly Ave. for the Annual Hub Phest on Saturday, March 30, 2019 from 12:00 a.m. to Sunday April 1, 2019 12:00 p.m.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: We will be having Hub Phest on March 30th, 2019 staff recommends approval of resolution for street closures.

Financial Consideration:

Staff Recommendation: Approval of Resolution

Alternatives:

ROUTING:

Ricardo Pedraza

Created/Initiated - 3/13/2019

Jose Luengo

Approved - 3/14/2019

Patricia Rigney

Approved - 3/14/2019

City Management Office

Final Approval - 3/14/2019

RESOLUTION R-2019-__

**A RESOLUTION OF THE CITY OF PHARR TEXAS, AUTHORIZING THE CITY TO
ENTER INTO AN AGREEMENT WITH THE TEXAS DEPARTMENT OF PUBLIC
TRANSPORTATION FOR PUBLIC EVENT IN THE CITY LIMITS OF PHARR**

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS
OF THE CITY OF PHARR, TEXAS:

That the City of Pharr wishes to enter into an agreement with the State of Texas, acting
by and through the Texas Department of Transportation for temporary closure of a
street for public event.

That the closure of U.S.281 (Cage Blvd.) from Business 83 to Kelly Avenue from 12:00
a.m. on Saturday, March 30, 2019 to 12:00 p.m. on Sunday, April 1, 2019 for the Annual
HUB Phestival.

That all rules and procedures of 43 Tex., Adm. Code, Section 22.12 have been
established for the temporary closure of a segment of the State highway system and
this agreement has been developed in accordance with the rules and procedures.

This resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED this 18th day of March, 2018, by the Board of
Commissioners of the City of Pharr, Texas.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

STATE OF TEXAS §

COUNTY OF §

AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT-OF-WAY

THIS AGREEMENT is made by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State," and the City of _____ Pharr _____, a municipal corporation, acting by and through its duly authorized officers, hereinafter called the "City."

W I T N E S S E T H

WHEREAS, the State owns and operates a system of highways for public use and benefit, including I 69 C / S. Cage _____, in _____ Hidalgo _____, County; and

WHEREAS, the City has requested the temporary closure of _____ I 69 C. S. Cage _____
From Bus. 83 South to Kelly Ave. _____ for the purpose of _____ Annual Hub Festival _____,
as described in the attached "Exhibit A," hereinafter identified as the "Event;" and

WHEREAS, the Event will be located within the City's incorporated area; and

WHEREAS, the State, in recognition of the public purpose of the Event, wishes to cooperate with the City so long as the safety and convenience of the traveling public is ensured and that the closure of the State's right-of-way will be performed within the State's requirements; and

WHEREAS, on the _____ 30 _____ day of _____ March _____, 2019, the _____ Pharr _____ City Council passed Resolution / Ordinance No. _____, attached hereto and identified as "Exhibit B," establishing that the Event serves a public purpose and authorizing the City to enter into this agreement with the State; and

WHEREAS, 43 TAC, Section 22.12 establishes the rules and procedures for the temporary closure of a segment of the State highway system; and

WHEREAS, this agreement has been developed in accordance with the rules and procedures of 43 TAC, Section 22.12;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them respectively kept and performed as hereinafter set forth, it is agreed as follows:

A G R E E M E N T

Article 1. CONTRACT PERIOD

This agreement becomes effective upon final execution by the State and shall terminate upon completion of the Event or unless terminated or modified as hereinafter provided.

Article 2. EVENT DESCRIPTION

The description of the Event, including the proposed schedule of start and stop times, approximate number of people attending the Event, and equipment involved shall be attached hereto and identified as "Exhibit C."

Article 3. OPERATIONS OF THE EVENT

A. The City shall assume all costs for the operations associated with the Event, to include but not limited to, plan development, materials, labor, public notification, providing protective barriers and barricades, protection of highway traffic and highway facilities, and all traffic control and temporary signing.

B. The City shall submit to the State for review and approval the construction plans, if construction or modifications to the State's right-of-way is required, the traffic control and signing plans, traffic enforcement plans, and all other plans deemed necessary by the State.

C. The City will not initiate closure prior to 24 hours before the scheduled Event and all barriers and barricades will be removed and the highway reopened to traffic within 24 hours after the completion of the Event.

D. The City will provide adequate enforcement personnel to prevent vehicles from stopping and parking along the main lanes of highway right-of-way and otherwise prevent interference with the main lane traffic by both vehicles and pedestrians. The City will prepare a traffic enforcement plan, to be approved by the State in writing at least 48 hours prior to the scheduled Event. Additionally, the City shall provide to the State a letter of certification from the law enforcement agency that will be providing traffic control for the Event, certifying that they agree with the enforcement plan and will be able to meet its requirements.

E. The City hereby assures the State that there will be appropriate passage allowance for emergency vehicle travel and adequate access for abutting property owners during construction and closure of the highway facility. These allowances and accesses will be included in the City's traffic control plan.

F. The City will avoid or minimize damage, and will, at its own expense, restore or repair damage occurring outside the State's right-of-way and restore or repair the State's right-of-way, including roadway and drainage structures, signs, and pavement, etc. to a condition equal to that existing before the closure, and, to the extent practicable, restore the natural environment, including landscape features.

Article 4. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this agreement, all documents prepared by the City will remain the property of the City. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use.

Article 5. TERMINATION

A. This agreement may be terminated by any of the following conditions:

- (1) By mutual written agreement and consent of both parties.
- (2) By the State upon determination that use of the State's right-of-way is not feasible or is not in the best interest of the State and the traveling public.
- (3) By either party, upon the failure of the other party to fulfill the obligations as set forth herein.
- (4) By satisfactory completion of all services and obligations as set forth herein.

B. The termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the State and City under this agreement. If the potential termination of this agreement is due to the failure of the City to fulfill its contractual obligations as set forth herein, the State will notify the City that possible breach of contract has occurred. The City

must remedy the breach as outlined by the State within ten (10) days from receipt of the State's notification. In the event the City does not remedy the breach to the satisfaction of the State, the City shall be liable to the State for the costs of remedying the breach and any additional costs occasioned by the State.

Article 6. DISPUTES

Should disputes arise as to the parties' responsibilities or additional work under this agreement, the State's decision shall be final and binding.

Article 7. RESPONSIBILITIES OF THE PARTIES

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

Article 8. INSURANCE

A. Prior to beginning any work upon the State's right-of-way, the City and/or its contractors shall furnish to the State a completed "Certificate of Insurance" (TxDOT Form 1560, latest edition) and shall maintain the insurance in full force and effect during the period that the City and/or its contractors are encroaching upon the State right-of-way.

B. In the event the City is a self-insured entity, the City shall provide the State proof of its self-insurance. The City agrees to pay any and all claims and damages that may occur during the period of this closing of the highway in accordance with the terms of this agreement.

Article 9. AMENDMENTS

Any changes in the time frame, character, agreement provisions or obligations of the parties hereto shall be enacted by written amendment executed by both the City and the State.

Article 10. COMPLIANCE WITH LAWS

The City shall comply with all applicable federal, state and local environmental laws, regulations, ordinances and any conditions or restrictions required by the State to protect the natural environment and cultural resources of the State's right-of-way.

Article 11. LEGAL CONSTRUCTION

In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Article 12. NOTICES

All notices to either party by the other required under this agreement shall be delivered personally or sent by certified U.S. mail, postage prepaid, addressed to such party at the following respective addresses:

City:	State:
_____	Texas Department of Transportation
_____	_____
_____	_____
_____	_____

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party hereto may change the above address by sending written notice of such change to the other in the manner provided herein.

Article 13. SOLE AGREEMENT

This agreement constitutes the sole and only agreement between the parties hereto and supersedes any prior understandings or written or oral agreements respecting the within subject matter.

IN TESTIMONY WHEREOF, the parties hereto have caused these presents to be executed in duplicate counterparts.

THE CITY OF Pharr

Executed on behalf of the City by:

By Ricardo Pedraza Date 3/4/19
City Official

Typed or Printed Name and Title Ricardo Pedraza, PE
Public Works Director

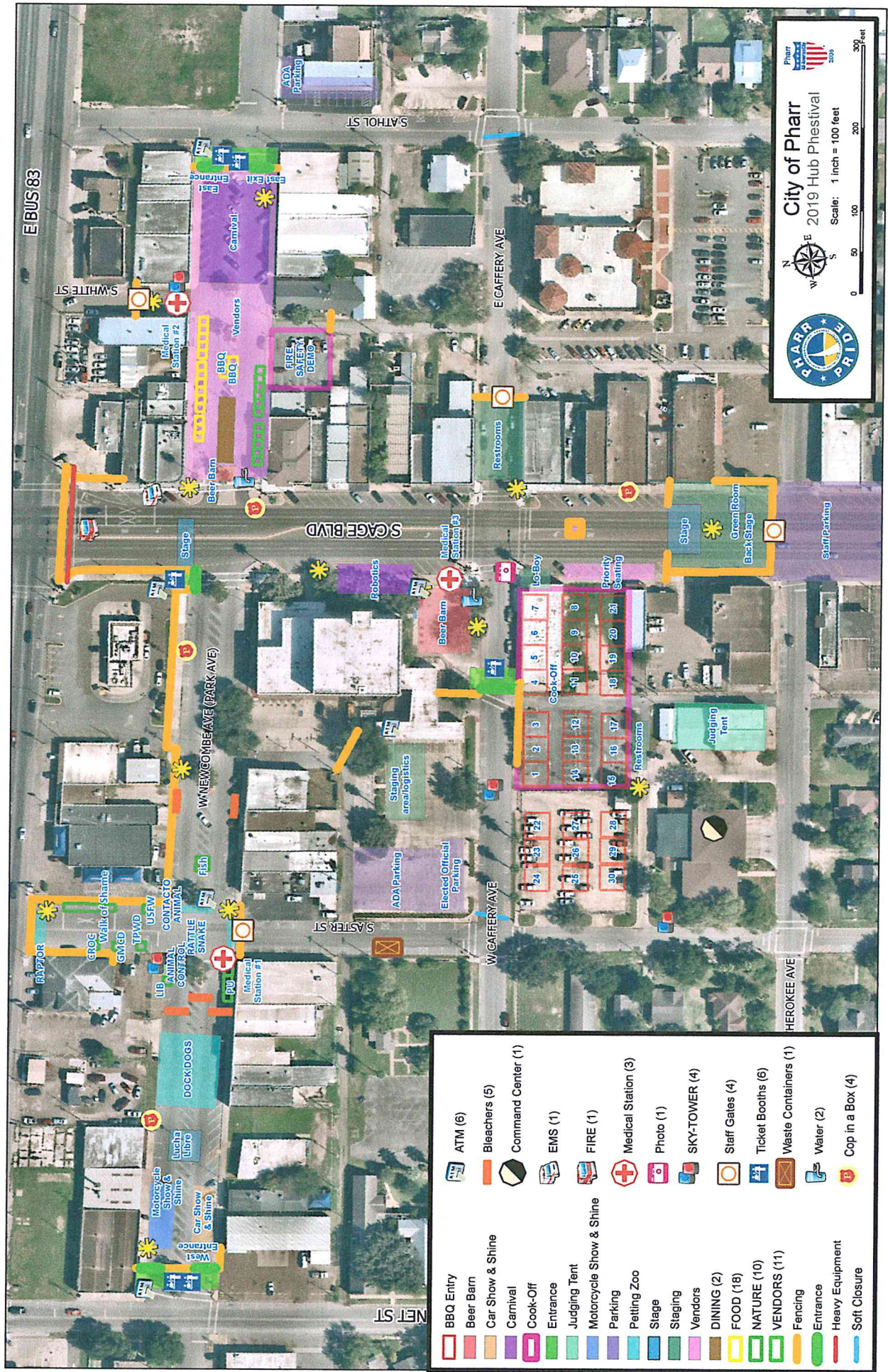
THE STATE OF TEXAS

Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By _____ Date _____
District Engineer

Reviewed By:

Director of Maintenance Date: _____



- BBQ Entry
- Beer Barn
- Car Show & Shine
- Carnival
- Cook-Off
- Entrance
- Judging Tent
- Motorcycle Show & Shine
- Parking
- Petting Zoo
- Stage
- Staging
- Vendors
- DINING (2)
- FOOD (18)
- NATURE (10)
- VENDORS (11)
- Fencing
- Entrance
- Heavy Equipment
- Soft Closure
- ATM (6)
- Bleachers (5)
- Command Center (1)
- EMS (1)
- FIRE (1)
- Medical Station (3)
- Photo (1)
- SKY-TOWER (4)
- Staff Gates (4)
- Ticket Booths (6)
- Waste Containers (1)
- Water (2)
- Cop in a Box (4)


City of Pharr
 2019 Hub Festival
 Scale: 1 inch = 100 feet



March 13, 2019

Mr. Pedro Alvarez, PE
Texas Department of Transportation
600 W. Expressway 83
Pharr, TX 78577

RE: Street Closure Permit for City of Pharr's Hub Phestival

Dear Pharr District Engineer,

The City of Pharr will be celebrating its annual Hub Phestival and will require State Road closure.

We would like to request the following road closure:

The closure of U.S. 281 (S. Cage Blvd.) at 12:00 am Saturday March 30th, 2019 to 12:00 pm Sunday April 1th, 2019. The road closure will be from Old Business 83 south to Kelly Ave.

Location maps, Temporary Closure Agreement, letter from law enforcement department along with City Commission resolution have all been enclosed.

We appreciate and thank you in advance for your help with this matter. If you require any additional information, please do not hesitate to call our office at (956) 402-4350.

Respectfully submitted,

Ricardo Pedraza, PE
Director

City of Pharr
Public Works Department



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.D.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR:

Agenda Item: Consideration and action on Resolution executing an Advance Funding Agreement with the Texas Department of Transportation (TxDOT) for the PSJA Tri-City Pedestrian Safety Improvements Project, CSJ: 0921-02-391.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: This Advance Funding Agreement with the Texas Department of Transportation (TxDOT) in the estimated amount of \$140,580 is to cover the State's direct cost for the Preliminary Engineering and Construction review and oversight, and shown below:

Preliminary Engineering Direct State Costs: \$68,580

Construction Direct State Costs (State Review and Oversight): \$72,000

Financial Consideration: Estimated Advance Funding Agreement is \$135,347

Staff Recommendation: Staff recommends approval of the Resolution executing an Advance Funding Agreement with the Texas Department of Transportation (TxDOT) for the PSJA Tri-City Pedestrian Safety Improvements Project, CSJ: 0921-02-391

Alternatives:

ROUTING:

Omar Anzaldua

Created/Initiated - 3/11/2019

Omar Anzaldua

Approved - 3/11/2019

Patricia Rigney

Approved - 3/11/2019

Sandra Zamora

Approved - 3/13/2019

Karla Moya

Approved - 3/14/2019

City Management Office

Final Approval - 3/14/2019

RESOLUTION NO. R-2019-__

**ADVANCE FUNDING AGREEMENT
TRANSPORTATION ALTERNATIVES SET-ASIDE (TASA) PROGRAM PROJECTS
PSJA TRI-CITY PEDESTRIAN SAFETY IMPROVEMENTS
CSJ: 0921-02-391**

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes; and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **114670 and 115005**, awarding funding for TASA projects in the **2017 TASA** Program Call of the Hidalgo MPO (Project); and

WHEREAS, The City of Pharr wishes to enter into an Advance Funding Agreement with the State of Texas Department of Transportation for a Transportation Alternatives Set-Aside (TASA) Funding (Off-System) – PSJA Tri-City Pedestrian Safety Improvements CSJ: 0921-02-391; and

WHEREAS, The City of Pharr total estimated cost to the State will be **\$140,580** and authorizes initial payment in the amount of **\$68,580** to the Texas Department of Transportation Trust Fund.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, THAT:

That the City of Pharr authorizes the Mayor to execute any and all documents necessary to effectuate said Advance Funding Agreement.

That the City of Pharr authorizes the issuance of a check in the initial amount of **\$68,580** to the Texas Department of Transportation Trust Fund.

This resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED this 18th day of March, 2019, by the Board of Commissioners of the City of Pharr, Texas.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk

TxDOT:		Federal Highway Administration:	
CSJ #	0921-02-391	CFDA No.	20.205
District #	21 - Pharr	CFDA Title	Highway Planning and Construction
Code Chart 64 #	32600		
Project Name	PSJA Tri-City Pedestrian Safety Improvements	AFA Not Used For Research & Development	

STATE OF TEXAS §

COUNTY OF TRAVIS §

**ADVANCE FUNDING AGREEMENT
FOR A TRANSPORTATION ALTERNATIVES
SET-ASIDE (TASA) PROGRAM PROJECT
MPO-Selected Off-System**

This Advance Funding Agreement for a Transportation Alternatives Set-Aside (TASA) Program Project ("Agreement") is made between the State of Texas (State), acting through the Texas Department of Transportation, and the City of Pharr (Local Government), acting through its duly authorized officials.

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes, and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, Federal law, 23 USC §134 and 49 USC §5303, requires that State and Metropolitan Planning Organizations (MPOs) develop transportation plans and programs for urbanized areas of Texas, and

WHEREAS, Federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds, and

WHEREAS, the rules and procedures for the Transportation Alternatives Set-Aside Program (TASA) are established in 23 USC §133(h), and 43 Texas Administrative Code, Part 1, Chapter 11, Subchapter G, §§11.400 – 11.418, and

WHEREAS, the Local Government prepared and submitted to the State or Metropolitan Planning Organization (MPO) a project nomination package for TASA funding consideration, which is briefly described as **PSJA Tri-City Pedestrian Safety Improvements** (Project), and

WHEREAS, the Texas Transportation Commission (Commission) passed Minute Order Number **114670 and 115005** (MO) dated **August 25, 2016 and August 31, 2017** awarding funding for TASA projects in the **2017 TASA** Program Call of the **Hidalgo County MPO**, including Project, and

WHEREAS, the governing body of the Local Government has approved entering into this Agreement by resolution or ordinance dated _____, which is attached to and made a

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part of this Agreement as Attachment A, Resolution or Ordinance. A map showing the Project location appears in Attachment B, Project Location Map, which is attached to and made a part of this Agreement, and

NOW, THEREFORE, the State and the Local Government agree as follows:

AGREEMENT

1. Period of Agreement and Performance

- A. Period of Agreement. This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until terminated as provided below.
- B. Period of Performance.
 1. The Performance Period for each phase of work begins on the date specified in the Federal Project Authorization and Agreement (FPAA) for that phase of work. Local Government may not begin work until issued the State Letter of Authority (SLOA) for that phase of work.
 2. The Performance Period for each phase of work ends on the date specified in the FPAA for that phase of work.

2. Scope of Work and Use of Project

- A. The scope of work for Project consists of the **construction of concrete sidewalks within the cities of Pharr, San Juan, and Alamo. The project includes the installation of pedestrian beacons, traffic signage, lighting, bike racks, bollards, and a staging/parking area.**
- B. Any project changes proposed must be submitted in writing by Local Government to State. Changes may also require an amendment to this Agreement and the approval of the FHWA, State, MPO, or the Commission. Any changes undertaken without written approval and amendment of this Agreement may jeopardize not only the federal funding for the changes, but the federal funding of the entire Project.

3. Project Sources and Uses of Funds

The total estimated development cost of the Project is shown in Attachment C, Project Budget Estimate and Source of Funds (Attachment C).

- A. If Local Government will perform any work under this Agreement for which reimbursement will be provided by or through the State, the Local Government must complete training. If federal funds are being used, the training must be completed before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled "Local Government Project Procedures and Qualification for the Texas Department of Transportation" and retains qualification in accordance with applicable TxDOT procedures. Upon request, Local Government shall provide the certificate of qualification to State. The individual who receives the training certificate may be an employee of Local Government or an employee of a firm that has been contracted by Local Government to perform oversight of the Project. State in its

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- discretion may deny reimbursement if Local Government has not continuously designated in writing a qualified individual to work actively on or to directly oversee the Project.
- B. The total estimated project cost as shown in Attachment C includes the Local Government's estimated itemized cost of real property, utilities, environmental assessments, construction, and other construction related costs. To be eligible for reimbursement or as in-kind contribution, costs must have been included in the nomination form approved by the Texas Transportation Commission or MPO in consultation with State. Local Government must submit to State evidence of payment for eligible in-kind costs at least once per calendar quarter using the State's In-Kind Match Reporting form.
 - C. State and the Federal Government will not reimburse Local Government for any work performed outside the Performance Period. After federal funds have been obligated, State will send to Local Government a copy of the formal documentation showing the obligation of funds including federal award information. Local Government is responsible for 100 percent of the cost of any work performed under its direction or control before the federal spending authority is formally obligated.
 - D. The Project budget and source of funds estimate based on the budget provided in the nomination form is included in Attachment C. Attachment C shows the percentage and estimated dollar amounts to be contributed to Project by state and local sources, as well as the maximum amount in federal TASA funds assigned by the Commission or MPO in consultation with State. This Agreement may be amended from time to time as required to meet the funding commitments based on revisions to the TASA, FPAA, or other federal documents.
 - E. State will be responsible for securing the federal share of funding required for the development and construction of Project, in an amount not to exceed 80 percent of the actual cost of the work up to the amount of funds approved for Project by the Texas Transportation Commission or MPO in consultation with State. Federal funds will be reimbursed on a cost basis. Project costs incurred prior to issuance of the SLOA are not eligible for reimbursement.
 - F. Local Government will be responsible for all non-federal participation costs associated with Project, including any overruns in excess of Project's estimated budget and any operating or maintenance expenses.
 - G. Following execution of this Agreement, but prior to the performance of any plan review work by State, Local Government will pay to State the amount specified in Attachment C for plan review. At least 60 days prior to the date set for receipt of the construction bids, Local Government shall remit its remaining local match as specified in Attachment C for State's estimated construction oversight and construction cost.
 - H. In the event State determines that additional funding is required by Local Government at any time during Project, State will notify Local Government in writing. Local Government is responsible for the percentage of the authorized Project cost shown in Attachment C and 100 percent of any overruns above the federally authorized amount. Local Government will make payment to State within 30 days from receipt of State's written notification.
 - I. Whenever funds are paid by Local Government to State under this Agreement, Local Government will remit a warrant made payable to the "Texas Department of

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- Transportation". The warrant will be deposited by State and managed by State. Funds may only be applied by State to Project.
- J. Upon completion of Project, State will perform a final accounting of Project costs. Any funds due to Local Government, State, or the Federal Government will be promptly paid by the owing party.
 - K. In the event Project is not completed, State may seek reimbursement from Local Government of the expended federal funds. Local Government will remit the required funds to State within 60 days from receipt of State's notification.
 - L. If any existing or future local ordinances, commissioners court orders, rules, policies, or other directives, including but not limited to outdoor advertising billboards and storm water drainage facility requirements, are more restrictive than state or federal regulations, or if any other locally proposed changes, including but not limited to plats or re-plats, result in increased costs, then any increased costs associated with the ordinances or changes will be paid by Local Government. The cost of providing right of way acquired by State shall mean the total expenses in acquiring the property interests through negotiations, including, but not limited to, expenses related to relocation, removal, and adjustment of eligible utilities.
 - M. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under the Agreement or indirectly through a contract or subcontract under the Agreement. Acceptance of funds directly under the Agreement or indirectly through a contract or subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
 - N. State will not pay interest on any funds provided by Local Government.
 - O. State will not execute the contract for the construction of Project until the required funding has been made available by Local Government in accordance with this Agreement.
 - P. Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice in a form and containing all items required by State no more frequently than monthly, and no later than 90 days after costs are incurred. If Local Government submits invoices more than 90 days after the costs are incurred, and if federal funding is reduced as a result, State shall have no responsibility to reimburse Local Government for those costs.
 - Q. If Local government is an Economically Disadvantaged County (EDC) and if State has approved adjustments to the standard financing arrangement, this agreement reflects those adjustments.

4. Termination of the Agreement

- A. This Agreement may be terminated by any of the following conditions:
 - 1. By mutual written consent and agreement of all parties;
 - 2. By any party with 90 days written notice; or
 - 3. By either party, upon the failure of the other party to fulfill the obligations as set forth in this Agreement. Any cost incurred due to such breach of contract shall be paid by the breaching party.

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- B. If the potential termination of this Agreement is due to the failure of Local Government to fulfill its contractual obligations, State will notify Local Government that possible breach of contract has occurred. Local Government should make every effort to remedy the breach within a period mutually agreed upon by both parties.
- C. If Local Government withdraws from Project after this Agreement is executed, Local Government shall be responsible for all direct and indirect Project costs as identified by the State's cost accounting system and with 2 CFR Part 200 recapture requirements.
- D. A project may be eliminated from the program as outlined below. If Project is eliminated for any of these reasons, this Agreement will be appropriately terminated. A project may be eliminated from the program, and this Agreement terminated, if:
 - 1. Local Government fails to satisfy any requirements of the program rules cited in 43 Texas Administrative Code, Part 1, Chapter 11, Subchapter G, §§11.400 – 11.418.
 - 2. The implementation of Project would involve significant deviation from the activities proposed in the nomination form and approved by the Texas Transportation Commission or MPO in consultation with State.
 - 3. Local Government withdraws from participation in Project.
 - 4. State determines that federal funding may be lost due to Project not being implemented and completed.
 - 5. Funds are not appropriated, in which case this Agreement shall be terminated immediately with no liability to either party. Payment under this Agreement beyond the current fiscal biennium is subject to availability of appropriated funds.
 - 6. The associated FPAA is not issued by the end of the third federal fiscal year following the federal fiscal year for which the funds are authorized. Federal fiscal years run October 1 through September 30.
 - 7. Local Government fails to attend progress meetings at least twice yearly, as scheduled by State.
- E. State, at its sole discretion, may terminate this Agreement if State does not receive project invoice from Local Government within 270 days of FPAA.

5. Amendments

This Agreement may be amended due to changes in the work, the amount of funding required to complete Project, or the responsibilities of the parties. Such amendment must be made through a mutually agreed upon, written amendment that is executed by the parties.

6. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

7. Utilities

Local Government shall be responsible for the adjustment, removal, or relocation of utilities or utility facilities in accordance with applicable State laws, regulations, rules, policies, and procedures, including any cost to State of a delay resulting from Local Government's failure to ensure that utilities or utility facilities are adjusted, removed, or relocated before the scheduled

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beginning of construction. Unless specified in (1) the nomination form approved by State or MPO in consultation with State and (2) this agreement, Local Government will not be reimbursed with federal or state funds for the cost of required utility work. Local Government must obtain advance approval for any variance from established procedures. Before a construction contract is let, Local Government shall provide, at State's request, a certification stating that Local Government has completed the adjustment of all utilities that must be adjusted before construction begins. Additional utility work may be required due to unknown conditions discovered during construction. These costs may be eligible for TASA participation if: (1) the activity is required to complete Project; (2) the cost is incidental to Project; and (3) TASA funding is available. Any change orders must be approved by State prior to incurring any cost for which reimbursement is sought.

8. **Environmental Assessment and Mitigation**

Development of Project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects.

- A. Local Government is responsible for the identification and assessment of any environmental problems associated with the development of Project.
- B. Local Government is responsible for the cost of any environmental problem's mitigation and remediation. These costs will not be reimbursed or credited towards Local Government's financial share of Project unless specified in the nomination form and approved by State or MPO in consultation with State.
- C. Local Government is responsible for providing any public meetings or public hearings required for development of the environmental assessment.
- D. Before the advertisement for bids, Local Government shall provide to State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

9. **Compliance with Accessibility Standards**

All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

10. **Architectural and Engineering Services**

- A. Architectural and engineering services for preliminary engineering will be provided by Local Government. In procuring professional services, the parties to this Agreement must comply with federal requirements cited in 23 CFR Part 172 if Project is federally funded and Local Government will be seeking reimbursement for these services; and with Texas Government Code Subchapter 2254.A., in all cases. Professional services contracts for federally funded projects must conform to federal requirements. For State-selected projects, architectural and engineering services are not eligible for TASA reimbursement.
- B. The architectural contract documents shall be developed in accordance with the standards of the American Institute of Architects, the U.S. Secretary of the Interior's Standards for Historic Preservation Projects, Standards and Guidelines for Archeology

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and Historic Preservation, the National Register Bulletin Number 36: Guidelines for Evaluating and Registering Historical Archeological Sites and in consultation with the State Historic Preservation Officer, as applicable. The engineering plans shall be developed in accordance with State's applicable Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges and the two American Association of State Highway and Transportation Officials' ("AASHTO") publications, "A Policy on Geometric Design of Highways and Streets" and "Guide for the Development of Bicycle Facilities," as applicable. All contract procurement procedures and documents must adhere to the applicable requirements established in the Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges. The use of other systems of specifications shall be approved by State in writing in advance.

- C. When architectural and engineering services are provided by or through Local Government, Local Government shall submit any plans it has completed to State for review and approval. Local Government may also submit the plans to State for review any time prior to completion. Local Government shall make the necessary revisions determined by State. Local Government will not let the construction contract until all required plans have received State approval.
- D. When architectural and engineering services are provided by or through State, then the State is responsible for the delivery and performance of any required architectural or preliminary engineering work. Local Government may review and comment on the work as required to accomplish Project purposes. State will cooperate with Local Government in accomplishing these Project purposes to the degree permitted by state and federal law.

11. **Construction Responsibilities**

- A. **Local Government** shall advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by State prior to advertising for construction.
- B. All contract letting and award procedures must be approved by State prior to letting and award of the construction contract, whether the construction contract is awarded by State or by Local Government.
- C. All contract change order review and approval procedures must be approved by State prior to start of construction.
- D. Upon completion of Project, the party constructing Project will issue and sign a "Notification of Completion" acknowledging Project's construction completion.
- E. For federally funded contracts, the parties to this Agreement will comply with federal construction requirements provided in 23 CFR Parts 633 and 635, and shall include the latest version of Form "FHWA-1273" in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR Subpart 635.B.
- F. Any field changes, supplemental agreements, or revisions to the design plans that may occur after the construction contract is awarded will be mutually agreed to by State and

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Local Government prior to authorizing the contractor to perform the work. Prior to completion of Project, the party responsible for construction will notify the other party to this Agreement of the anticipated completion date. All parties will be afforded the opportunity to assist in the final review of the construction services performed by the contractor.

12. Project Maintenance

- A. Upon completion of Project, Local Government will be responsible for maintaining the completed facility for public use. The property shall be maintained and operated for the purpose for which it was approved and funded for a period of time commensurate with the federal investment or State rules, whichever is greater. Should Local Government at any time after Project completion decide it can no longer maintain and operate Project for its intended purpose, Local Government shall consult with State and the FHWA as to the disposal or alternate uses, consistent with Project's original intent. State may require Local Government to return the federal funds in accordance with 2 CFR Part 200 federal recapture requirements. Should Local Government consider conveying the property, State and FHWA must be notified prior to the sale, transfer, or disposal of any property that received federal funds. Written concurrence of approval for the transaction, detailing any required recapture, must be obtained from FHWA prior to the transaction. Advance notice from Local Government of their intended action must be submitted to State for an FHWA review a minimum of 90 days prior to any action being taken by Local Government. Local Government shall be held responsible for reimbursement of all federal funds used or a portion of those funds based on a pro-rata amount, considering the original percentage of federal funds provided and the time elapsed from Project completion date. This same percentage of reimbursement also applies to any amount of profit that may be derived from the conveyance of the property, as applicable.
- B. Any manufacturer warranties extended to Local Government as a result of Project shall remain in the name of Local Government. State shall not be responsible for honoring any warranties under this Agreement.
- C. Should Local Government derive any income from the development and operation of Project, a portion of the proceeds sufficient for the maintenance and upkeep of the property shall be set aside for future maintenance. A project income report shall be submitted to State on a quarterly basis. Monies set aside according to this provision shall be expended using accounting procedures and with the property management standards established in 2 CFR Part 200.
- D. Should any historic properties be included in or affected by this federally funded Project, the historic integrity of the property and any contributing features must continue to be preserved regardless of any approved changes that may occur throughout the life of Project.

13. Right of Way and Real Property Acquisition

- A. Right of way and real property acquisition shall be the responsibility of Local Government. Title to right of way and other related real property must be acceptable to

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- State before funds may be expended for the improvement of the right of way or real property.
- B. If Local Government is the owner of any part of Project site under this Agreement, Local Government shall permit State or its authorized representative access to occupy the site to perform all activities required to execute the work.
 - C. Local Government will comply with and assume the costs for compliance with all the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 USC §4601 et seq., including those provisions relating to incidental expenses incurred by the property owners in conveying the real property to Local Government, and benefits applicable to the relocation of any displaced person as defined in 49 CFR §24.2(g). Documentation to support such compliance must be maintained and made available to State and its representatives for review and inspection.
 - D. Local Government shall assume all costs and perform all work necessary to obtain needed evidence of title or right of use to the real property required for development of Project. Evidence of title or right of use shall be acquired in the name of (1) State, if the real property is to be made part of the State Highway System, and (2) Local Government, otherwise. The evidence of title or rights shall be acceptable to State, and be free and clear of all encroachments. Local Government shall secure and provide easements and any needed rights of entry over any other land needed to develop Project according to the approved Project plans. Local Government shall be responsible for securing any additional real property required for completion of Project.
 - E. Local Government shall prepare real property maps, property descriptions, and other data as needed to properly describe the real property and submit them to State for approval prior to Local Government acquiring the real property. Tracings of the maps shall be retained by Local Government for a permanent record.
 - F. Local Government shall determine property values for each real property parcel to be purchased with federal funds using methods acceptable to State and shall submit to State a tabulation of the values so determined, signed by the appropriate Local Government representative. The tabulations must list the parcel numbers, ownership, acreage, and recommended compensation. The tabulation must be accompanied by an explanation to support the estimated values, together with a copy of the documentation and reports used in calculating each parcel's value. Expenses incurred by Local Government in performing this work may be eligible for reimbursement after Local Government has received written authorization by State to proceed with determination of real property values. State will review the data submitted and will base its reimbursement for parcel acquisitions on these in determining the fair market values.
 - G. For State-selected TASA projects, Local Government shall not use eminent domain or condemnation to acquire real property for this TASA Project.
 - H. Reimbursement for real property costs will be made to Local Government for real property purchased in an amount not to exceed 80 percent of the cost of the real property purchased in accordance with the terms and provisions of this Agreement. Reimbursement will be in an amount not to exceed 80 percent of State's predetermined fair market value of each parcel, or the net cost thereof, whichever is less. In addition, reimbursement will be made to Local Government for necessary payments to appraisers for expenses incurred in order to assure good title. – **NOT APPLICABLE**

TxDOT:		Federal Highway Administration:	
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- I. Local Government and current property owner are responsible for any costs associated with the relocation of displaced persons and personal property as well as incidental expenses incurred in acquiring property to implement Project. State will not pay any of these costs.
- J. If Project requires the use of real property to which Local Government will not hold title, a separate agreement between the owners of the real property and Local Government must be executed prior to execution of this Agreement. The separate agreement between Local Government and the current property owner must establish that Project will be dedicated for public use for a period of time not less than ten years after project completion and commensurate with the federal investment as outlined in 43 Tex. Admin. Code §11.317. The separate agreement must define the responsibilities of the parties as to the use of the real property and operation and maintenance of Project after completion. The separate agreement must be approved by State prior to its execution and a copy of the executed separate agreement shall be provided to State.
- K. Local Government shall execute individually or produce a legal document as necessary to provide for Project's continued use from the date of completion, and agrees to cause the same to be recorded in the land records of the appropriate jurisdiction.
- L. Local governments receiving federal funds must comply with 23 CFR Part 710 and 49 CFR Part 24, and with the procedures provided in Chapter 6 of the State's Local Government Project Policy Manual. Local Government agrees to monitor Project to ensure: (1) continued use of the property for approved activities, and (2) the repayment of the Federal funds, as appropriate. Local Government agrees to the review of their Project accounts and site visits by State during the development of Project at any time. Upon Project completion, State will continue to perform periodic visits to confirm Project's continued use and upkeep.
- M. Before the advertisement for bids, Local Government shall provide a certification to State that all real property has been acquired.

14. Insurance

- A. Should this Agreement authorize Local Government or its contractor to perform any work on State right of way, before beginning work, the entity performing the work shall provide State with a fully executed copy of State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and State may recover damages and all costs of completing the work.
- B. For projects including buildings, Local Government agrees to insure the building according to Department specifications and further agrees to name the Federal Government as a "Loss Payee" should the building be destroyed.

15. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

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Local Government:	State:
City of Pharr ATTN: Mayor PO Box 1729 Pharr TX 78577	Texas Department of Transportation ATTN: Director of Contract Services 125 E. 11 th Street Austin, TX 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

16. Legal Construction

In case one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

17. Responsibilities of the Parties

Neither party is an agent, servant, or employee of the other party and each party is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

18. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by State shall remain the property of State. All data prepared under this Agreement shall be made available to State without restriction or limitation on their further use. All documents produced or approved or otherwise created by Local Government shall be transmitted to State in the form of photocopy reproduction on a monthly basis as required by State. The originals shall remain the property of Local Government.

19. Document and Information Exchange

Local Government agrees to electronically deliver to State all general notes, specifications, contract provision requirements, and related documentation in a Microsoft Word or similar format. If requested by State, Local Government will use State's document template. Local Government shall also provide a detailed construction time estimate, including types of activities and month in which the activity will be completed, in the format required by State. This requirement applies whether Local Government creates the documents with its own forces or by hiring a consultant or professional provider. At the request of State, Local Government shall submit any information required by State in the format directed by State.

20. Compliance with Laws

The parties shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in

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any manner affecting the performance of this agreement. When required, Local Government shall furnish State with satisfactory proof of this compliance.

21. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

22. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the Cost Principles established in 2 CFR Part 200 that specify that all reimbursed costs are allowable, reasonable, and allocable to Project.

23. Procurement and Property Management Standards

The parties to this Agreement shall adhere to the procurement standards established in Title 49 CFR §18.36, to the property management standards established in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and to the Texas Uniform Grant Management Standards. The State must pre-approve the Local Government's procurement procedures for purchases to be eligible for state or federal funds.

24. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the FHWA and the U.S. Office of the Inspector General or their duly authorized representatives for review and inspection at its office during the Agreement period and for three (3) years from the date of final reimbursement by FHWA under this Agreement or until any impending litigation or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

25. Civil Rights Compliance

The parties to this Agreement are responsible for the following:

- A. Compliance with Regulations: Both parties will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.
- B. Nondiscrimination: The Local Government, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Local Government will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including

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employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

- C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Local Government for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Local Government of the Local Government's obligations under this Agreement and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.
- D. Information and Reports: The Local Government will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Local Government is in the exclusive possession of another who fails or refuses to furnish this information, the Local Government will so certify to the State or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of the Local Government's noncompliance with the Nondiscrimination provisions of this Agreement, the State will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - 1. withholding of payments to the Local Government under the Agreement until the Local Government complies and/or
 - 2. cancelling, terminating, or suspending of the Agreement, in whole or in part.
- F. Incorporation of Provisions: The Local Government will include the provisions of paragraphs (A) through (F) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Local Government will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Local Government becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Local Government may request the State to enter into such litigation to protect the interests of the State. In addition, the Local Government may request the United States to enter into such litigation to protect the interests of the United States.

26. **Pertinent Non-Discrimination Authorities**

During the performance of this Agreement, each party, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of federal or federal-aid programs and projects).

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- C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).
- D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.
- E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).
- F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).
- G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the federal-aid recipients, subrecipients and contractors, whether such programs or activities are federally funded or not).
- H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. Parts 37 and 38.
- I. The Federal Aviation Administration’s Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).
- J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
- K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).
- L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

27. Disadvantaged Business Enterprise Program Requirements

- A. The parties shall comply with the Disadvantaged Business Enterprise (“DBE”) Program requirements established in 49 CFR Part 26.
- B. Local Government shall adopt, in its totality, State’s federally approved DBE program.
- C. Local Government shall set an appropriate DBE goal consistent with State’s DBE guidelines and in consideration of Local market, project size, and nature of the goods or services to be acquired. Local Government shall have final decision-making authority regarding the DBE goal and shall be responsible for documenting its actions.
- D. Local Government shall follow all other parts of State’s DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the Adoption of the

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Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity, and attachments found at web address:

http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf.

- E. Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this Agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to Local Government of its failure to carry out its approved program, State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and the Program Fraud Civil Remedies Act of 1986 (31 USC § 3801 et seq.).
- F. Each contract Local Government signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance: "The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this agreement, which may result in the termination of this agreement or such other remedy as the recipient deems appropriate."

28. Debarment Certifications

The parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this Agreement, Local Government certifies that it and its principals are not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, and further certifies that it will not do business with any party, to include principals, that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this Agreement shall require any party to a contract, subcontract, or purchase order awarded under this Agreement to certify its eligibility to receive federal funds and, when requested by State, to furnish a copy of the certification.

If state funds are used, the parties are prohibited from making any award to any party that is debarred under the Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter G, Rule §20.585 and the Texas Administrative Code, Title 43, Part 1, Chapter 9, Subchapter G.

29. Lobbying Certification

In executing this Agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

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- A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for Local Government shall complete and submit the federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The parties shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite imposed by 31 USC §1352 for making or entering into this transaction. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

30. **Federal Funding Accountability and Transparency Act Requirements**

- A. Any recipient of funds under this agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This agreement is subject to the following award terms: <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.
- B. Local Government agrees that it shall:
 1. Obtain and provide to State a System for Award Management (SAM) number (Federal Acquisition Regulation (FAR) Subpart 4.11) if this award provides more than \$25,000 in Federal funding. The SAM number may be obtained by visiting the SAM website whose address is <https://www.sam.gov/portal/public/SAM/>.
 2. Obtain and provide to State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet on-line registration website <http://fedgov.dnb.com/webform>; and
 3. Report the total compensation and names of its top five executives to State if:
 - a. More than 80 percent of annual gross revenues are from the Federal government, and those revenues are greater than \$25,000,000; and
 - b. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

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31. Single Audit Report

- A. The parties shall comply with the requirements of the Single Audit Act of 1984, P.L. 98-502, ensuring that the single audit report includes the coverage stipulated in 2 CFR Part 200.
- B. If threshold expenditures of \$750,000 or more are met during the fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Compliance Division, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Compliance Division at singleaudits@txdot.gov.
- C. If expenditures are less than the threshold during Local Government's fiscal year, Local Government must submit a statement to TxDOT's Compliance Division as follows: *We did not meet the \$_____ expenditure threshold and therefore, are not required to have a single audit performed for FY _____.*
- D. For each year Project remains open for federal funding expenditures, Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the agreement, unless otherwise amended or Project has been formally closed out and no charges have been incurred within the current fiscal year.

32. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this agreement on behalf of the entity represented.

THIS AGREEMENT IS EXECUTED by the State and the Local Government.

THE STATE OF TEXAS

Signature

Kenneth Stewart

Typed or Printed Name

Director of Contract Services

Typed or Printed Title

Date

THE LOCAL GOVERNMENT

Signature

Typed or Printed Name

Typed or Printed Title

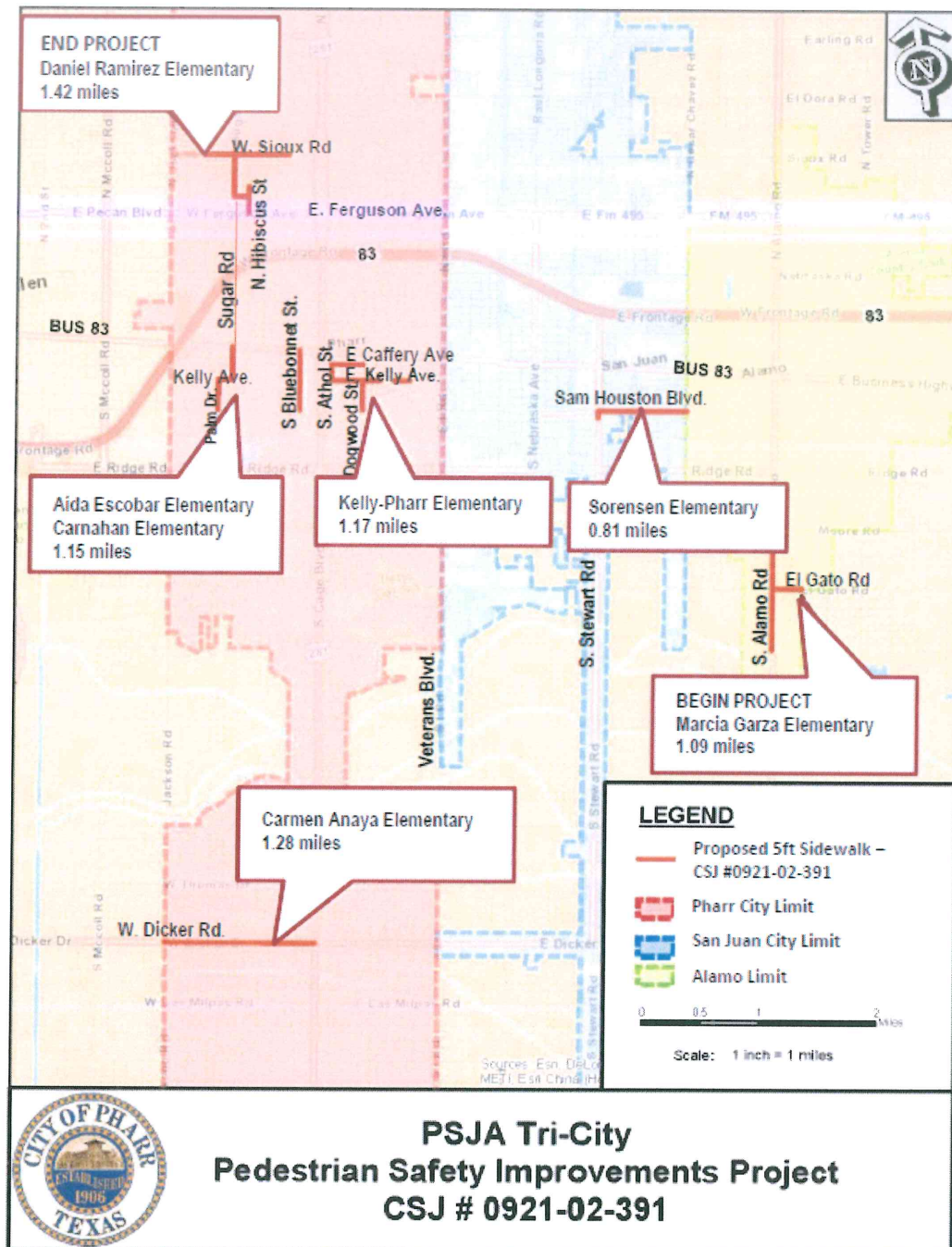
Date

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**ATTACHMENT A
RESOLUTION OF LOCAL GOVERNMENT**

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ATTACHMENT B PROJECT LOCATION MAP



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ATTACHMENT C
PROJECT ESTIMATE AND SOURCE OF FUNDS
 LG Performs PE Work or Hires Consultant / LG Lets Project for Construction

Work Performed by Local Government (LG)							
Description of Project Costs to be Incurred	Total Project Cost Estimate	Federal Participation		State Participation		Local Government Participation	
		Includes percentage for TDC apportionment on MPO-selected projects where applicable		Includes authorized EDC amounts		Includes authorized EDC reduction	
		%	Cost	%	Cost	%	Cost
Preliminary Engineering ¹	\$0	0%	\$0	0%	\$0	0%	\$0
Environmental Cost ¹	\$0	0%	\$0	0%	\$0	0%	\$0
Right of Way ³	\$0	0%	\$0	0%	\$0	0%	\$0
Utilities ²	\$0	0%	\$0	0%	\$0	0%	\$0
Construction ² (Cat 9)	\$1,971,675	80%	\$1,577,340	17.6%	\$347,015	2.4%	\$47,320
Construction ² (100% by LG)	\$314,325	0%	\$0	0%	\$0	100%	\$314,325
Work by LG Subtotal	\$2,286,000		\$1,577,340		\$347,015		\$361,645

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Direct and Indirect State Costs Incurred for Review, Inspection, Administration & Oversight						
Description of Project Costs to be Incurred	Total Project Cost Estimate	Federal Participation		State Participation		Local Government (LG) Participation Includes authorized EDC reduction
		Includes percentage for TDC apportionment on MPO-selected projects where applicable	Includes authorized EDC amount	Includes authorized EDC amount	Includes authorized EDC reduction	
		%	Cost	%	Cost	%
Preliminary Engineering ¹	\$ 68,580	0%	\$0	0%	\$0	100%
Environmental Cost ¹	\$ 0	0%	\$0	0%	\$0	0%
Right of Way ¹	\$ 0	0%	\$0	0%	\$0	0%
Utilities ¹	\$ 0	0%	\$0	0%	\$0	0%
Construction ²	\$ 72,000	0%	\$0	0%	\$0	100%
Direct State Costs Subtotal	\$ 140,580		\$0		\$0	
Indirect State Cost	\$ 134,874		\$0	100%	\$ 134,874	
TOTAL PARTICIPATION	\$2,561,454		\$1,577,340		\$ 481,889	\$ 502,225

- The estimated total participation by Local Government is **\$502,225**, plus 100% of overruns.
- Total estimated payment by Local Government to State is **\$140,580**.
- ¹Local Government's first payment of **\$68,580** is due to State within 30 days from execution of this contract.
- ²Local Government's second payment of **\$72,000** is due to State within 60 days prior to the Construction contract being advertised for bids.
- ³If ROW is to be acquired by State, Local Government's share of property cost will be due prior to acquisition.
- The local match must be 20% or greater and may include eligible in-kind contributions, EDC adjustments, or TDCs if authorized as part of project selection.
- This is an estimate, the final amount of Local Government participation will be based on actual costs.
- Maximum federal TASA funds available for Project are **\$1,577,340**.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.E.

DATE SUBMITTED: March 6, 2019

MEETING DATE: March 18, 2019

FROM: Leonardo Perez, Fire Chief

DEPARTMENT: Fire

DIRECTOR: Leonardo Perez

Agenda Item: Consideration and action on Memorandum of Understanding between the Texas A&M Engineering Extension Service and the City of Pharr to allow Firefighter Jesus Rosillo to participate in Statewide deployments in Urban Search and Rescue activities.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: This will allow Firefighter Jesus Rosillo to participate in the Texas Task Force 1 State and Federal emergency responses for natural or man made disasters. Should he be deployed, the City will get reimbursed for all expenses for the response.

Financial Consideration: Should Mr Rosillo be deployed, the City will be reimbursed by the State for participating at any designated emergencies.

Staff Recommendation: Staff recommends approval of this agenda item. This will allow Mr Rosillo to participate in the Texas Task Force 1 training that can be utilized at emergencies and be used here should one occur in our City.

Alternatives:

ROUTING:

Leonardo Perez

Created/Initiated - 3/6/2019

Leonardo Perez

Approved - 3/6/2019

Patricia Rigney

Approved - 3/8/2019

Karla Moya

Approved - 3/13/2019

City Management Office

Final Approval - 3/14/2019

**Texas Task Force 1
Urban Search and Rescue (US&R)
Participating Agency/Employer (Pharr FD)
Individual Member Letter of Endorsement**

Date: 2/27/2019

To: [Pharr FD]
From: TX-TF1 Operations Chief
Re: Participation in Texas Task Force 1

Texas Task Force 1 (TX-TF1) a State and Federal Emergency Response Task Force requests TX-TF1 membership endorsement for [Jesus Rosillo].

TX-TF1 functions as one of the 28 federal teams under the Federal Emergency Management Agency (FEMA)'s National Urban Search and Rescue System and as a statewide urban search and rescue team under direction of the Texas Division of Emergency Management (TDEM). TX-TF1 also coordinates the state's swiftwater rescue program and the helicopter search and rescue team which works in conjunction with Texas Military Forces.

By signing this authorization letter you are approving participation of the listed individual in TX-TF1 activations and trainings and affirm the Employer's support of the Member's participation in TX-TF1 training, meetings, and emergency response activities. Local significant emergency situations or disasters affecting your jurisdiction may take priority over TX-TF1 activations or trainings.

Following are the participation requirements for Members of TX-TF1:

Members must be in good standing with the Employer.

1. Members must be of good moral character and may not have been convicted of any felony or any other criminal offense involving moral turpitude.
2. Members serving in a TX-TF1 position that requires the individual to hold a license, registration, certificate or other similar authorization to lawfully engage in an activity must hold such authorization, which must be current and validly issued.
3. Members must follow all TX-TF1 Standard Operating Guidelines that are available at <https://texastaskforce1.org>.
4. Members must meet medical/fitness standards, and be physically capable of performing assigned duties required in the position description requirements for the assigned position in a wide range of environments per TX-TF1 Standard Operating Guidelines.
5. Members must maintain knowledge, skills, and abilities necessary to operate safely and effectively in the assigned position.
6. Members must advise Employer of TX-TF1 activities that may require time off work.

7. Members must notify TEEX of any change in the notification process, i.e. address or phone number changes, and maintain current personal profile in the "Task Force Personnel Records System."
8. Members must ensure availability for immediate call-out during the period **the Member's** assigned team is first on the rotational model for call-out. Members who are not on the team that is first on the rotational model may be requested to fill the position of another team member who is not available to deploy to ensure the team is fully staffed for the mission.
9. Members must respond immediately to call-out with acceptance or refusal of current mission request and arrive within 3 hours from time of call-out to the assigned point of assembly.
10. Members must maintain all equipment issued by TX-TF1 in a ready state and advise TEEX immediately of any lost, stolen or damaged items.
11. Members must be prepared to operate in the disaster environment for up to 14 consecutive days.
12. Members must provide documentation of the required immunizations as listed below:
 - Diphtheria/Tetanus (or Tetanus only if there is a contra-indication to Diphtheria)
 - Hepatitis A
 - Hepatitis B
 - Measles/Mumps/Rubella (if born after 1957)
 - Polio

Costs and requirements associated with TX-TF1 by the Employer are addressed through your Participating Agencies/Employer Memorandum of Understanding with TX-TF1.

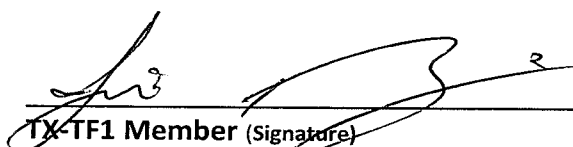
Membership on TX-TF1 is an honor and significant accomplishment and requires a large commitment of time and effort from both the Member and their Employer.

TX-TF1 Participating Agency Chief or designee (Print) **Rank/ title**

TX-TF1 Participating Agency Chief or designee (Signature) **Date**

I acknowledge that I have read and agree with the requirements as listed in this Letter of Endorsement.

Jesus Rosillo Technical Search Specialist
Member Name (Print) **Task Force Position**

 3-4-2019
TX-TF1 Member (Signature) **Date**



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.F.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Alex Meade

Agenda Item: Consideration and action on request from St. Margaret Church for police assistance for the Re-enactment of the Stations of the Cross Procession on Friday, April 19, 2019 from 1:00 p.m. to 3:00 p.m.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: St. Margaret Church is requesting police assistance for a procession on Good Friday (4/19/19) from 1:00 pm to 3:00 pm. Attached is the street closure application and route to be traveled.

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza
Patricia Rigney
Jose Luengo
City Management Office

Created/Initiated - 3/12/2019
Approved - 3/13/2019
Approved - 3/14/2019
Final Approval - 3/14/2019



CITY OF PHARR
PARADES, PROCESSIONS AND STREET CLOSURE FORM
P.O. Box 1729 * 118 S. Cage Blvd. * Pharr, Texas 78577
Fax 956-702-5313



Date of Event: April 19, 2019
Type of Event: ☐ Parade ☐ Walk-A-Thon ☐ Other Procession
NAME OF CONTACT PERSON: Alicia Salinas
ORGANIZATION (IF APPLICABLE): St. Margaret Mary Catholic
ADDRESS: 122 W. Hawk CITY: Pharr ZIP CODE: 78577
PHONE NO.: 787-8563 CELLULAR PHONE: 789-6950/648-9311
FAX NO.: 702-4509 E-MAIL: saint-margaret-mary@cdob.org

PURPOSE AND DESCRIPTION OF EVENT:

Re-enactment of the stations of the cross

START TIME: 1:00pm END TIME: 3:00 p.m.
ROUTE TO BE TRAVELED OR UTILIZED (Attach Site & Traffic Plan)

Starting Location: 122 W. Juarez, Pharr
Ending Location: 122 W Hawk, Pharr

Will event occupy all or only a portion of the width of the street? _____

Is the event insured? ☒ Yes ☐ No
If yes, Insurance Company Information The Catholic Mutual Contact #: 956-550-1586
Relief Society of America

Applicant Signature: _____

Date Received: 3/12/19

FOR CITY USE ONLY:

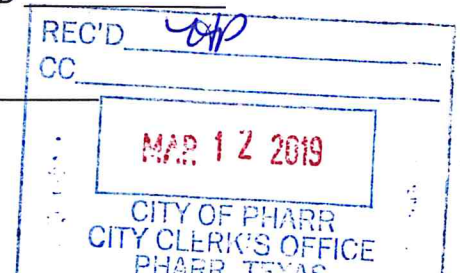
City Commission: _____

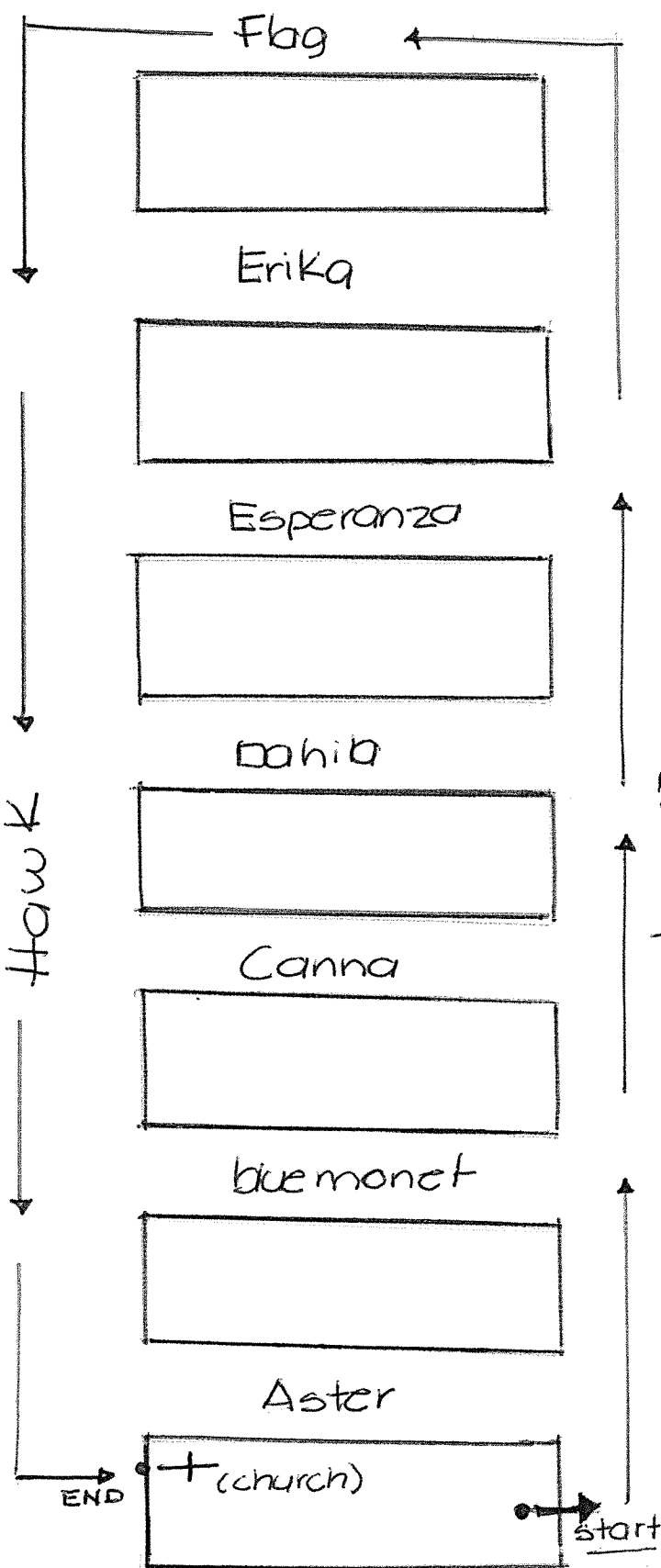
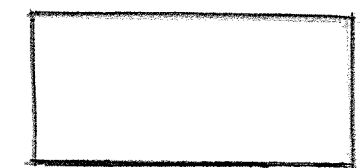
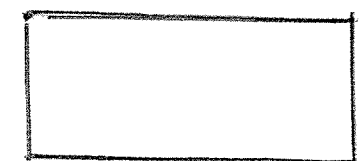
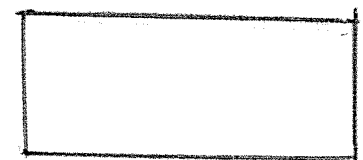
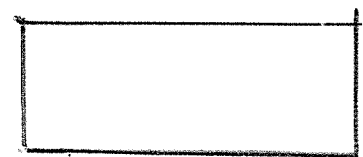
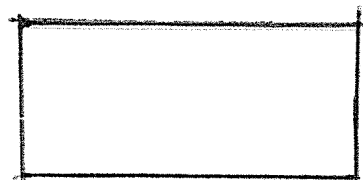
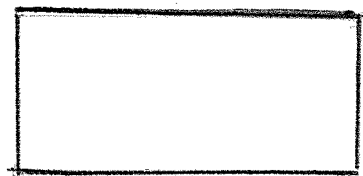
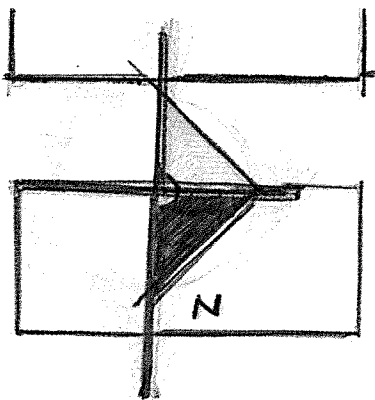
APPROVED _____

DENIED _____

City Manager's signature _____

Date _____





Cage

Certificate of Coverage

Date: 8/22/2018

Certificate Holder
Diocese of Brownsville
1910 University Blvd.
PO Box 2279
Brownsville TX 78522-2279

This Certificate is issued as a matter of information only and confers no rights upon the holder of this certificate. This certificate does not amend, extend or alter the coverage afforded below.

Company Affording Coverage

THE CATHOLIC MUTUAL RELIEF
SOCIETY OF AMERICA
10843 OLD MILL RD
OMAHA, NE 68154

Covered Location
St. Margaret Mary Church
224 N. Aster Street
Pharr, TX 78577

Coverages

This is to certify that the coverages listed below have been issued to the certificate holder named above for the certificate indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage afforded described herein is subject to all the terms, exclusions and conditions of such coverage. Limits shown may have been reduced by paid claims.

Type of Coverage	Certificate Number	Coverage Effective Date	Coverage Expiration Date	Limits	
Property				Real & Personal Property	
D. General Liability	9007	7/1/2018	7/1/2019	Each Occurrence	1,000,000
☒ Occurrence				General Aggregate	
☐ Claims Made				Products-Comp/OP Agg	
				Personal & Adv Injury	
				Fire Damage (Any one fire)	
				Med Exp (Any one person)	
Excess Liability				Each Occurrence	
				Annual Aggregate	
Other				Each Occurrence	
				Claims Made	
				Annual Aggregate	
				Limit/Coverage	

Description of Operations/Locations/Vehicles/Special Items (the following language supersedes any other language in this endorsement or the Certificate in conflict with this language)

Coverage is verified for claims arising out of St. Margaret Mary Church's annual fundraiser (Jamaica) October 6-7, 2018. The National Catholic Risk Retention Group also participates in this coverage through policy #TNCRRG10019.

Holder of Certificate

Cancellation

City of Pharr
118 S. Cage Blvd.
Pharr, TX 78577

Should any of the above described coverages be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the holder of certificate named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

Authorized Representative

0261001958

Michael A. Antun...



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.G.

DATE SUBMITTED: March 14, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Consideration and action on Development Services Cases:

Classification: Public Hearing

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/14/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.G.1.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Angie Resio, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Fuera De Lugar, LLC, d/b/a Fuera De Lugar Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as .071 of an acre tract of land, more or less, out of Plaza Sports Center Phase 1 Lot 1 Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 1101 East Nolana Loop. **CUP#150101**

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Fuera De Lugar, LLC, d/b/a Fuera De Lugar Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). **CUP#150101**

Financial Consideration: N/A

Staff Recommendation: Development Services recommends approval of the renewal request for the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to site being in compliance with all City Ordinances and City Department requirements.

Alternatives: N/A

ROUTING:

Angie Resio
Roland Gomez
Melanie Cano
City Management Office

Created/Initiated - 3/12/2019
Approved - 3/14/2019
Approved - 3/14/2019
Final Approval - 3/15/2019



Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

Executive Summary Letter

March 18, 2019

Conditional Use Permit for **Renewal** for ABC –

Fuera De Lugar Restaurant

Background:

Fuera De Lugar, LLC., d/b/a Fuera De Lugar Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption. This request constitutes the 4th renewal for Fuera De Lugar Restaurant.

The property is located at 1101 East Nolana Loop. It is zoned General Business District (C) and is in conformance with the Future Land Use Plan. All required inspections have been conducted and have passed.

Recommendations:

Staff recommends **approval** of the renewal of the Conditional Use Permit to allow the sale of alcoholic beverage for on-premise consumption subject to site and applicant being in compliance with all City Ordinances and City Department requirements.

P:\Admin\MY FILES\CUPs\ABC-J & A Caso_Fuera De Lugar dba Fuera De Lugar Restaurant _2015



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MARCH 18, 2019

TO: MAYOR AND CITY COMMISSION

FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES

THROUGH: ALEX MEADE, CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT RENEWAL FOR ABC FILE NO. CUP#150101 (FUERA DE LUGAR RESTAURANT)

GENERAL INFORMATION:

APPLICANT: Fuera De Lugar, LLC, d/b/a Fuera De Lugar Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C).

LEGAL DESCRIPTION: The property is legally described as .071 of an acre tract of land, more or less, out of Plaza Sports Center Phase 1 Lot 1 Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property's physical address is 1101 East Nolana Loop.

ZONING: The property is currently zoned General Business District (C). The surrounding area is zoned Agricultural and/or Open Space District (A-O) to the North, General Business District (C) to the South, Agricultural and/or Open Space District (A-O) and General Business District (C) to the East and Heavy Commercial District (C) to the West. The area is generally designated for commercial, industrial and public/semipublic use in the Land Use Plan.

COMMENTS: **POLICE CHIEF:** Recommends approval of the Conditional Use Permit.

FIRE MARSHAL:

Recommends approval of the Conditional Use Permit.

**CODE COMPLIANCE
DIVISION:**

Recommends approval of the Conditional Use Permit.

HEALTH DIVISION:

Recommends approval of the Conditional Use Permit.

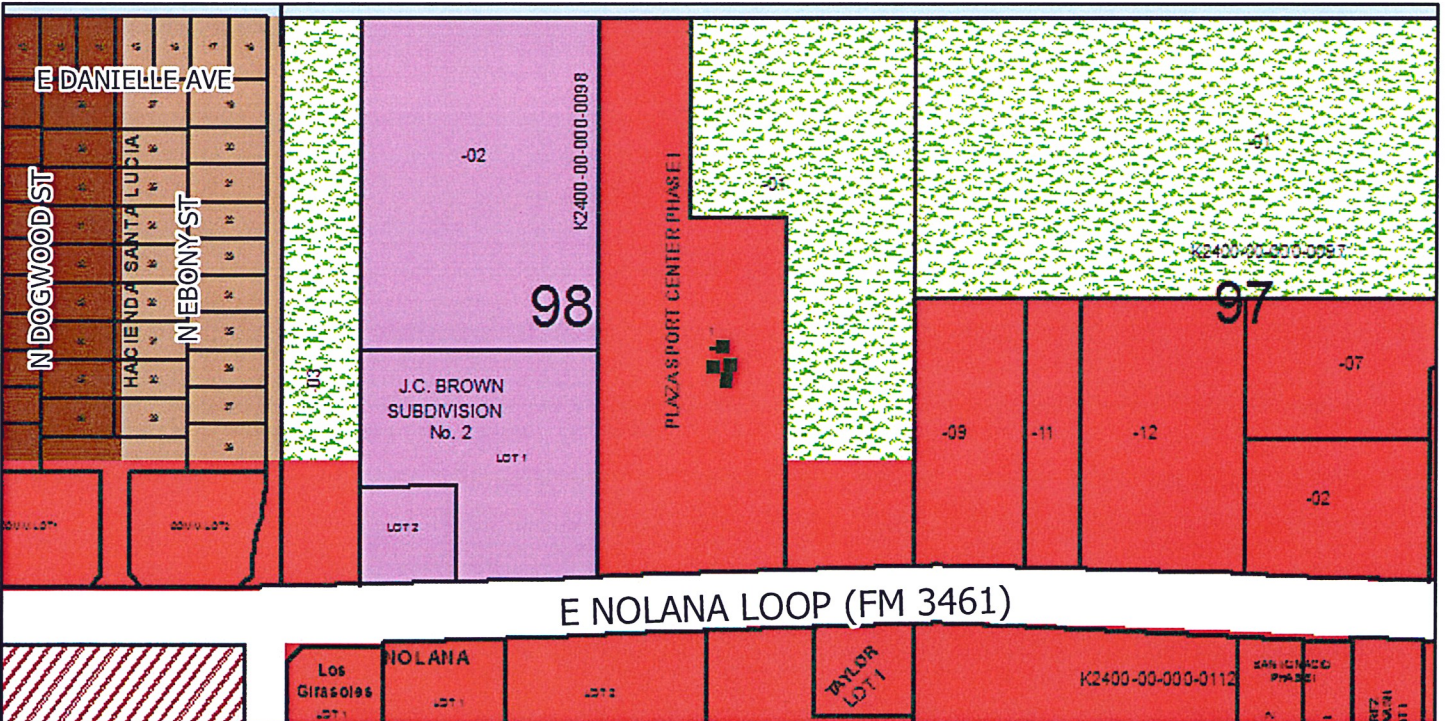
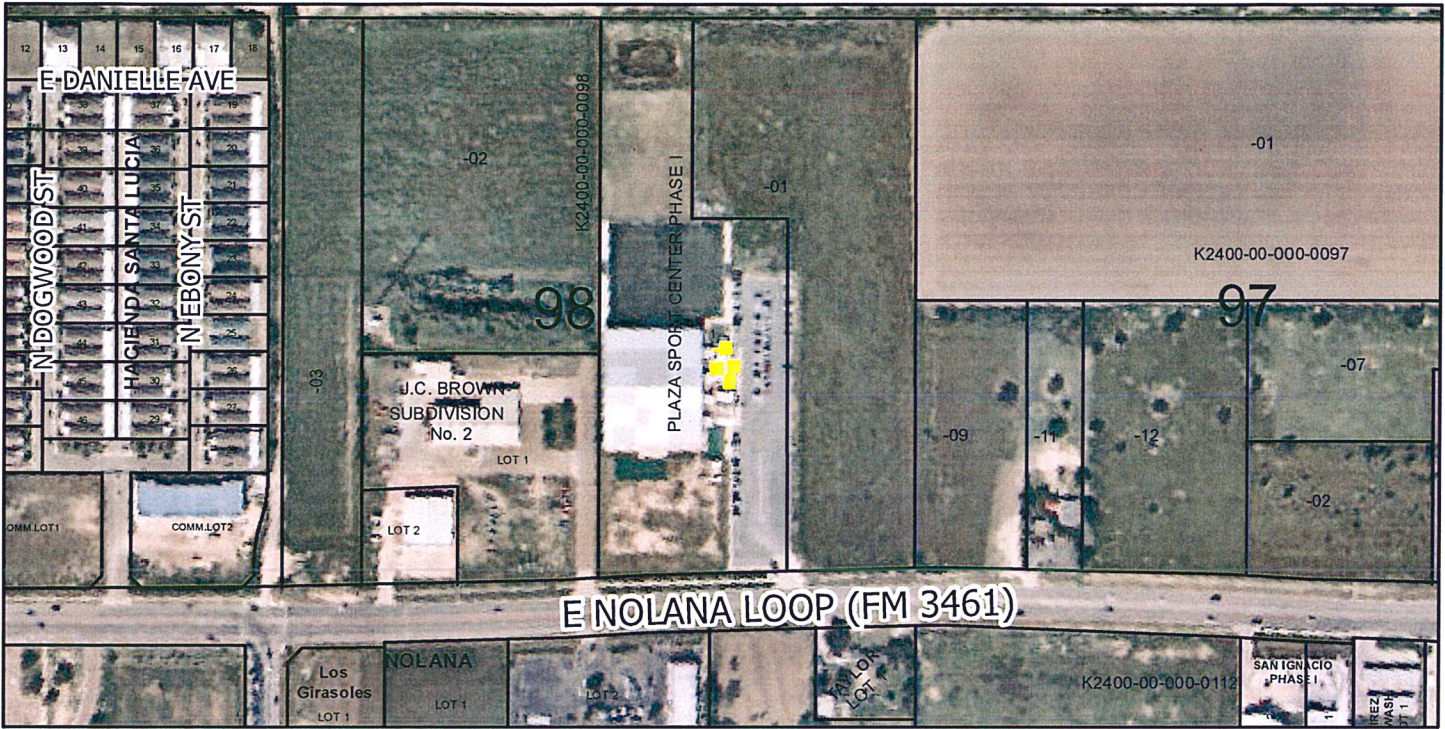
PLANNING DIVISION:

Recommends approval of the Conditional Use Permit.

**DEVELOPMENT
SERVICES
RECOMMENDATIONS:**

Development Services recommends **approval** of the renewal request for the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to site being in compliance with all City Ordinances and City Department requirements.

Conditional Use Permit Renewal
Plaza Sports Center Phase 1 Lot 1 (0.071ac)
Fuera De Lugar/Jose Antonio Caso



- | | | | | |
|-----------------------------|---------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | High Density Multi-Family | Government Owned | Heavy Industrial | Hidalgo ISD |
| Single Family | Mobile Home | General Business | Limited Industrial | Valley View ISD |
| Single Family Small Lot | Townhouse | Business District | Neighborhood Commercial | Planned Unit Development |
| Two Family | HUD Code | Drainage Easement | Office Professional | |
| Medium Density Multi-Family | Rail Road R.O.W. | Heavy Commercial | PSJA ISD | |

City of Pharr, Texas
Engineering Department
956.702.5355

Scale: 1 inch = 400 feet



Date: 1/30/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.G.2.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Angie Resio, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Paradise Bar and Grill LLC, dba Cantina Bar and Grill, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as being Lot 187, Valle De La Primavera Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 6905 South Jackson Road. **CUP#170209**

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Paradise Bar and Grill LLC, dba Cantina Bar and Grill, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C).

CUP#170209

Financial Consideration: N/A

Staff Recommendation: Development Services recommends approval of the renewal request for the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to site and applicant being in compliance with all City Ordinances and City Department requirements.

Alternatives: N/A

ROUTING:

Angie Resio

Roland Gomez

Melanie Cano

City Management Office

Created/Initiated - 3/12/2019

Approved - 3/14/2019

Approved - 3/14/2019

Final Approval - 3/15/2019



Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

Executive Summary Letter

March 18, 2019

Conditional Use Permit **Renewal** for ABC

Catina Bar and Grill.

Background:

Paradise Bar and Grill LLC d/b/a Catina Bar and Grill, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption. This request constitutes the 2nd renewal for Catina Bar and Grill.

The property is located at 6905 S. Jackson Road. It is zoned General Business District (C) and is in conformance with the Future Land Use Plan. All required inspections have been conducted and have passed.

Recommendations:

Staff recommends **approval** of the renewal of the Conditional Use Permit to allow the sale of alcoholic beverage for on-premise consumption subject to the site and applicant being in compliance with all City Ordinances and City Department requirements.

P:\Admin\CUPs\ABC-Cantina Bar and Grill_Paradise Bar and Grill LLC_2017



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MARCH 18, 2019

TO: MAYOR AND CITY COMMISSION

FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES

THROUGH: ALEX MEADE, CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT FOR ABC RENEWAL – FILE NO. CUP#170209 (CANTINA BAR AND GRILL)

GENERAL INFORMATION:

APPLICANT: Paradise Bar and Grill LLC, dba Cantina Bar and Grill, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C).

LEGAL DESCRIPTION: The property is legally described as being Lot 187, Valle De La Primavera Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property's physical address is 6905 South Jackson Road.

ZONING: The property is currently zoned General Business District (C). The surrounding area is zoned General Business District (C) to the north and south, Single-Family Residential District (R-1) to the east and city limits to the west. The area is generally designated for commercial use in the Land Use Plan.

COMMENTS: **POLICE CHIEF:** Recommends approval of the Conditional Use Permit.

FIRE MARSHAL:

Recommends approval of the Conditional Use Permit

**CODE COMPLIANCE
DIVISION:**

Recommends approval of the Conditional Use Permit.

HEALTH DIVISION:

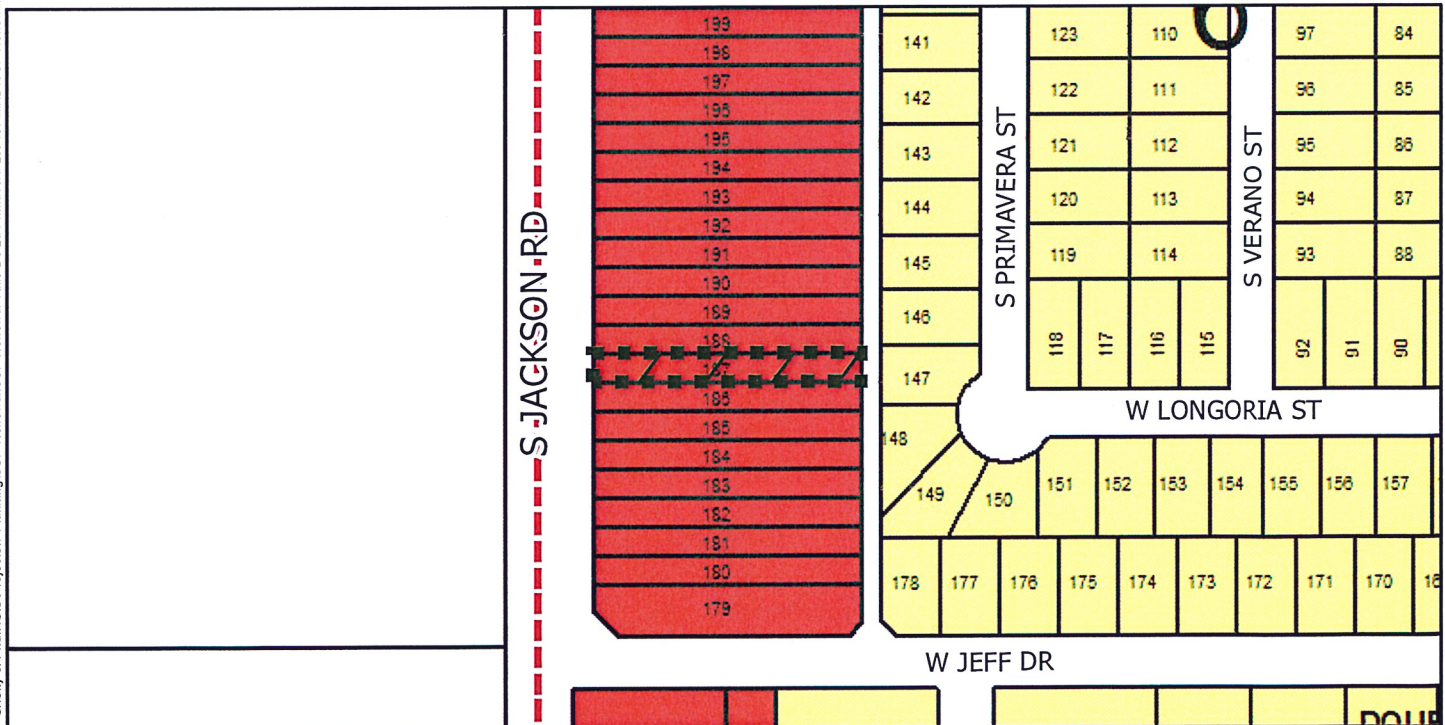
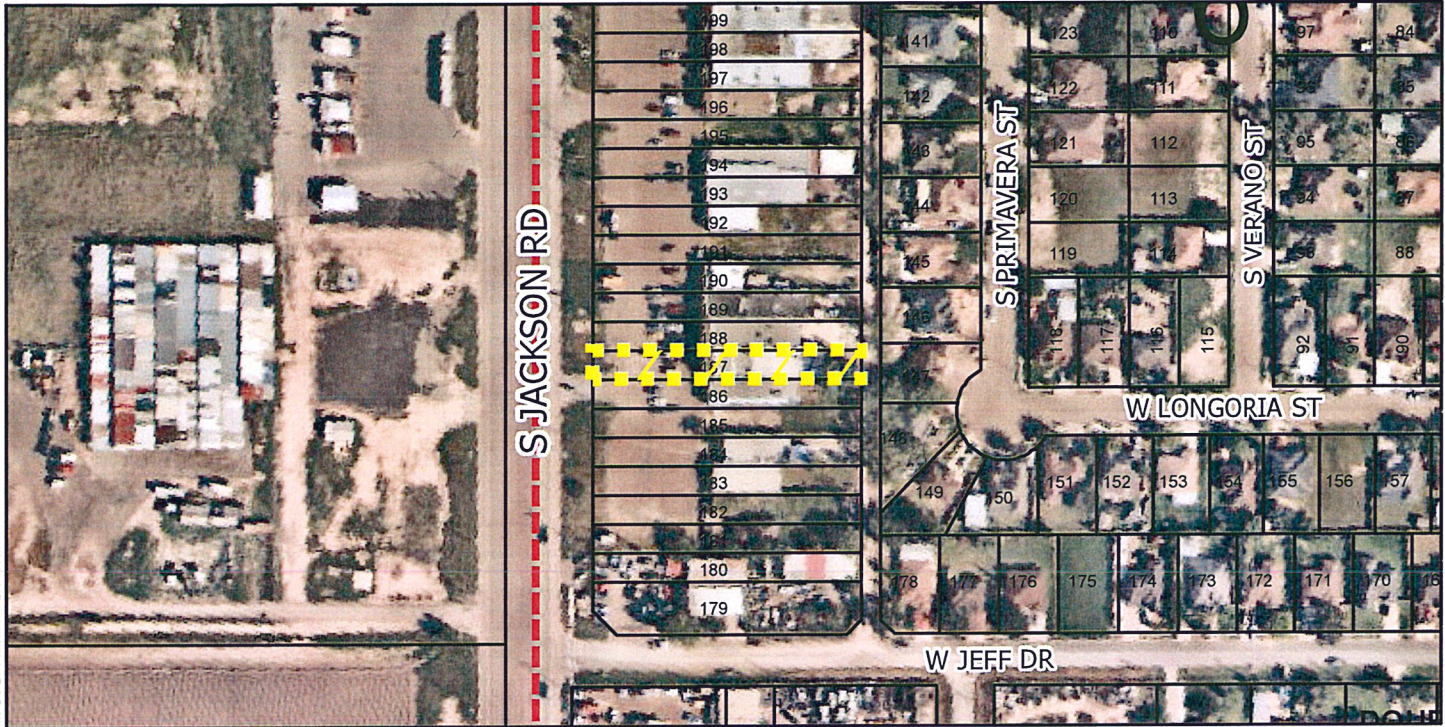
Recommends approval of the Conditional Use Permit.

PLANNING DIVISION:

Recommends approval of the Conditional Use Permit.

**DEVELOPMENT
SERVICES
RECOMMENDATIONS:**

Development Services recommends **approval** of the renewal request for the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to site and applicant being in compliance with all City Ordinances and City Department requirements.



- | | | | | |
|-----------------------------|---------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | High Density Multi-Family | Government Owned | Heavy Industrial | Hidalgo ISD |
| Single Family | Mobile Home | General Business | Limited Industrial | Valley View ISD |
| Single Family Small Lot | Townhouse | Business District | Neighborhood Commercial | Planned Unit Development |
| Two Family | HUD Code | Drainage Easement | Office Professional | |
| Medium Density Multi-Family | Rail Road R.O.W. | Heavy Commercial | PSJA ISD | |





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.G.3.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Angie Resio, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, has filed with the Planning and Zoning Commission a request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C). The property is legally described as being a 1.589 acre tract of land, more or less, out of Lot 96, Kelly-Pharr Tract, Pharr, Hidalgo County, Texas. The property is physically located 1500-1600 Block of East Minnesota Road.
COZ#190213

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, has filed with the Planning and Zoning Commission a request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C) in order to construct a retail store on said property. **COZ#190213**

Financial Consideration:

Staff Recommendation: Development Services is recommending approval of the request to re-zone to General Business District (C) as the properties meets area requirements, have adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

The Planning and Zoning Commission unanimously voted to approve the rezoning request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C) subject to staff's recommendations.

Alternatives: N/A

ROUTING:

Angie Resio

Roland Gomez

Melanie Cano

City Management Office

Created/Initiated - 3/13/2019

Approved - 3/14/2019

Approved - 3/14/2019

Final Approval - 3/15/2019



STANDARDIZED RECOMMENDATION FORM

MEETING DATE: March 18, 2019

ROUTE TO BOARD:

☒ CITY COMMISSION AGENDA ITEM: COZ:#190213
☐ PLANNING & ZONING COMMISSION DATE SUBMITTED: February 19, 2019

1. **Applicant:** Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, owners.
2. **Requested Action:** Re-zoning request from an Agricultural and/or Open Space District (A-O) to General Business District (C).
3. **Nature / Intent of Request:** In order to construct a retail store on said property

4. **Routing to Staff:**

F. **Melanie Cano, Director**



Initials

3/5/19 ☒ Approval ☐ Denial
Date

G. **Planning Staff
Recommendations**



Initials

3/5/19 ☒ Approval ☐ Denial
Date

H. **Planning and Zoning
Commission**

Initials

3/11/19 ☒ Approval ☐ Denial
Date

I. **City Attorney**

Initials

Date ☐ Approval ☐ Denial

J. **City Manager**

Initials

Date ☐ Approval ☐ Denial



MEMORANDUM

DATE: MONDAY, MARCH 11, 2019

TO: MAYOR AND CITY COMMISSION

FROM: DEVELOPMENT SERVICES

THROUGH: ALEX MEADE, CITY MANAGER

SUBJECT: Re-zoning Request: From Agricultural and/or Open Space District (A-O) to General Business District (C): Being a 1.589 acre tract of land, more or less, out of Lot 96, Kelly Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 1500-1600 Block of East Minnesota Road.
--

REZONING CHECKLIST / GOALS:

Comprehensive zoning and rezoning regulations and ordinances should be adopted and designed to facilitate, as much as possible, the following items:

1. To lessen congestion;
2. Secure safety from fire, panic and other dangers;
3. To promote health and general welfare;
4. To provide adequate light and air;
5. To protect the overcrowding of land and abutting traffic ways;
6. Avoid undue concentration of population, and;
7. To facilitate the adequate provisions of transportation, water, sewage, schools, parks, and other public requirements as per Local Government Code, Sect. 211.004.

DESCRIPTION OF PROPERTY:

Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, has filed with the Planning and Zoning Commission a request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C) in order to construct a retail store on said property.

The subject site which is located on the south side of the 1500-1600 Block of East Minnesota Road and legally described as being a 1.589 acre tract of land, more or less, out of Lot 96, Kelly-Pharr Tract, Pharr, Hidalgo County, Texas.

The property fronts East Minnesota Road, an 80' major collector which runs east and west with a posted speed limit of 30 miles per hour or less as identified in the City of Pharr's Thoroughfare Plan.

The property is currently zoned Agricultural and/or Open Space District (A-O). The surrounding properties are zoned Agricultural and/or Open Space District (A-O) to the west and south and city limits lie to the north and east. There have been no zoning requests within the general vicinity of the subject property. The property is generally designated for commercial use in the Land Use Plan.

The General Business District (C) is established to provide adequate space and site diversification for most types of commercial development in the City of Pharr. Larger shopping centers and most existing commercial strips along major arterials would be included in this district. The noise, traffic, litter, late-night hours, and possible blighting influences require adequate buffering from residential areas, and the traffic from such uses should not pass through residential areas, except on arterials or major collectors.

Fourteen (14) letters were mailed out to the surrounding property owners and a legal notice was published in the Advance News Journal. Staff received one telephone call for information only.

Development Services is recommending **approval** of the request to re-zone to General Business District (C) as the properties meets area requirements, have adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

PLANNING AND ZONING COMMISSION:

The Planning and Zoning Commission unanimously voted to **approve** the rezoning request for a change of zone from Agricultural and/or Open Space District (A-O) to General Business District (C) subject to staff's recommendations.

CITY COMMISSION OPTIONS:

1. **Approve the rezoning request;**
2. **Table the item for:**
 - a) **consideration by the full board;**
 - b) **additional information;**
 - c) **additional time for applicant and adjacent property owners to meet;**
3. **Disapprove the request.**



Pharr

Development Services



REQUEST FOR CHANGE OF ZONE & AMENDMENT TO LAND USE PLAN

Linfield, Hunter & Junius, Inc., representing Gordon and Catherine Jenkins Family LTD. Partnership, owner.

APPLICANT

Agricultural and/or Open Space District (A-O)

CURRENT ZONE

Within the 1500-1600 Block of East Minnesota Road.

ADDRESS

General Business District (C)

PROPOSED ZONE

	YES	NO
1 Does the property meet the minimum area requirements for the proposed zone?	X	
2 Does the property have adequate ingress and egress?	X	
3 Will the change of zone be compatible with surrounding properties? (Zoning and Land Use)		X
4 Is the property located along a major thoroughfare?	X	
5 Will the property have adequate parking for the proposed use?	X	
6 Will the property have adequate landscaping as per City Ordinance?	X	
7 Will the zone change increase the volume of traffic?	X	
8 Will a buffer be required?	X	
9 Is the proposed change in line with the Future Land Use Plan?	X	

STAFF RECOMMENDATIONS:

Approval

The property meets area requirements, has adequate ingress and egress and is compatible with the surrounding properties.

Della Robles, Planner I

PREPARED BY

March 4, 2019

DATE

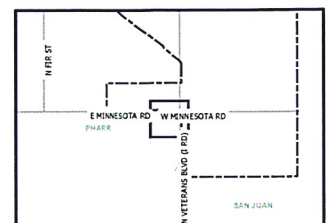
Proposed Change of Zone
 Kelly Pharr Subdivision Lot 96
 1500-1600 Block of E Minnesota Rd
 Linfield, Hunter&Junius, Inc.



The property within the boundary
 is the ONLY property to be affected.
 Solo la propiedad dentro de los
 limites sera afectada.

- | | | | |
|-----------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | Townhouse | Heavy Commercial | Valley View ISD |
| Single Family | HUD Code | Heavy Industrial | Planned Unit Development |
| Single Family Small Lot | Rail Road R.O.W. | Limited Industrial | |
| Two Family | Government Owned | Neighborhood Commercial | |
| Medium Density Multi-Family | General Business | Office Professional | |
| High Density Multi-Family | Business District | PSJA ISD | |
| Mobile Home | Drainage Easement | Hidalgo ISD | |

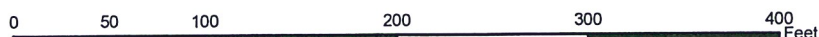
All information displayed on this map is subject
 to verification by field survey or by the agency
 responsible for maintaining the information.
 This map is intended for general information only.

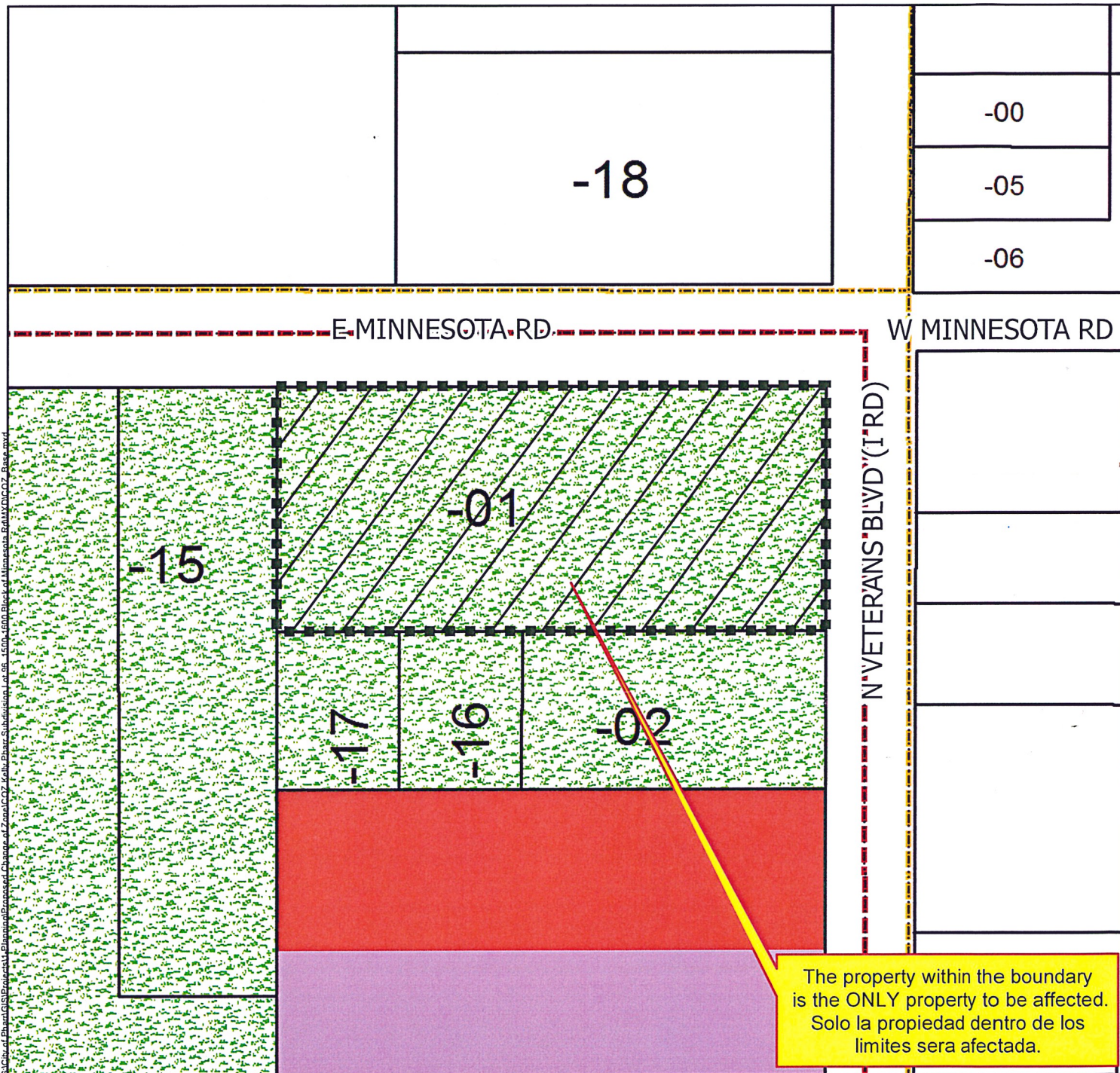


City of Pharr, Texas
 Engineering Department
 956.402.4242

Date: 2/19/2019

Scale: 1 inch = 100 feet

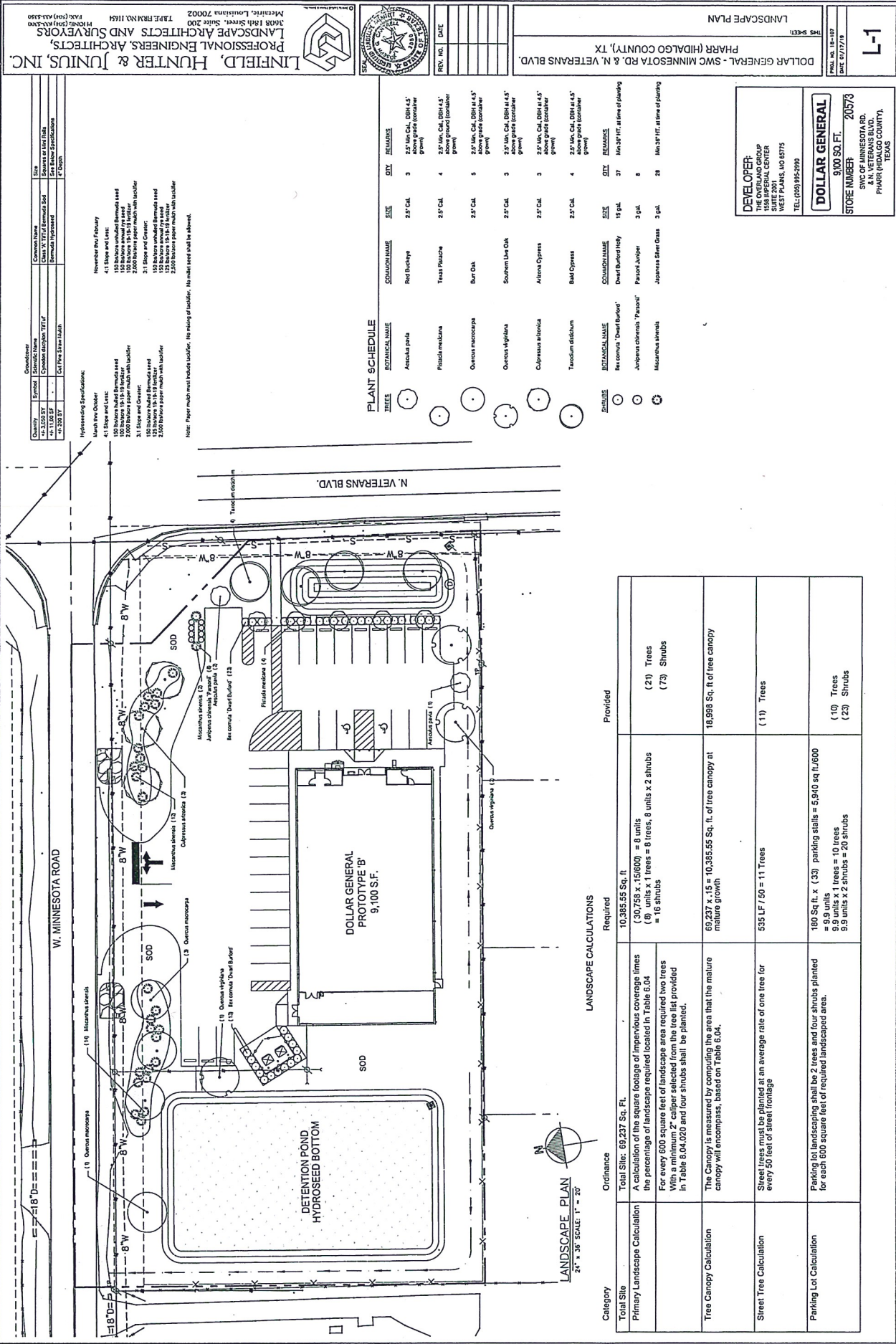




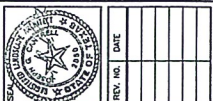
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|-----------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | Townhouse | Heavy Commercial | Valley View ISD |
| Single Family | HUD Code | Heavy Industrial | Planned Unit Development |
| Single Family Small Lot | Rail Road R.O.W. | Limited Industrial | |
| Two Family | Government Owned | Neighborhood Commercial | |
| Medium Density Multi-Family | General Business | Office Professional | |
| High Density Multi-Family | Business District | PSJA ISD | |
| Mobile Home | Drainage Easement | Hidalgo ISD | |

All information displayed on this map is subject to verification by field survey or by the agency responsible for maintaining the information. This map is intended for general information only.





LANDSCAPE ARCHITECTS AND SURVEYORS
LUNFIELD, HUNTER & JUNIUS, INC.
3608 18th Street, Suite 200
Metairie, Louisiana 70002
PHONE: (504) 835-3300
FAX: (504) 835-3300



DOLLAR GENERAL - S.W.C. MINNESOTA RD. & N. VETERANS BLVD.
PHARR (HIDALGO COUNTY), TX
LANDSCAPE PLAN
DATE: 07/17/18
PROJECT NO.: 18-107
L-1

TREES		SHRUBS	
TREE	REMARKS	SHRUB	REMARKS
1	2.5" Cal. Red Buckeye	1	2.5" Cal. Red Buckeye
2	2.5" Cal. Texas Peach	2	2.5" Cal. Texas Peach
3	2.5" Cal. Bur Oak	3	2.5" Cal. Bur Oak
4	2.5" Cal. Southern Live Oak	4	2.5" Cal. Southern Live Oak
5	2.5" Cal. Alabama Cypress	5	2.5" Cal. Alabama Cypress
6	2.5" Cal. Bald Cypress	6	2.5" Cal. Bald Cypress
7	2.5" Cal. Dwarf Burford	7	2.5" Cal. Dwarf Burford
8	2.5" Cal. Japanese Chinensis	8	2.5" Cal. Japanese Chinensis
9	2.5" Cal. Japanese Serris	9	2.5" Cal. Japanese Serris

HYDROSEEDING SPECIFICATIONS:
March 1st - October 31st
4:1 Slope and Less:
100 Bunches per 100 sq ft
2,000 Bunches per 100 sq ft
2:1 Slope and Greater:
100 Bunches per 100 sq ft
2,000 Bunches per 100 sq ft
Note: Paper must include landscape, the mixing of mulches. No mulch seed shall be allowed.

Category	Ordinance	Required	Provided
Total Site	Total Site: 69,237 Sq. Ft. A calculation of the square footage of impervious coverage times the percentage of landscape required located in Table 6.04 For every 600 square feet of landscape area required two trees With a minimum 2" caliper selected from the tree list provided in Table 6.04.020 and four shrubs shall be planted.	10,385.55 Sq. Ft. (30,758 x .15/600) = 8 units (8) units x 1 trees = 8 trees, 8 units x 2 shrubs = 16 shrubs	(21) Trees (73) Shrubs
Tree Canopy Calculation	The Canopy is measured by computing the area that the mature canopy will encompass, based on Table 6.04.	69,237 x .15 = 10,385.55 Sq. Ft. of tree canopy at mature growth	18,998 Sq. Ft. of tree canopy
Street Tree Calculation	Street trees must be planted at an average rate of one tree for every 50 feet of street frontage	535 LF / 50 = 11 Trees	(11) Trees
Parking Lot Calculation	Parking lot landscaping shall be 2 trees and four shrubs planted for each 600 square feet of required landscaped area.	180 Sq. Ft. x (33) parking stalls = 5,940 sq ft. 600 9.9 units x 1 trees = 10 trees 9.9 units x 2 shrubs = 20 shrubs	(10) Trees (23) Shrubs

DEVELOPER
DOLLAR GENERAL
18800 N. MINNESOTA RD.
SUITE 200
WEST PLAINS, MO 65775
TEL: (202) 995-2999

DOLLAR GENERAL
PROTOTYPE 'B'
9,100 S.F.

DETENTION POND
HYDROSEED BOTTOM

LANDSCAPE PLAN
24" x 36" SCALE: 1" = 20'





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.H.

DATE SUBMITTED: March 14, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: PLATS:

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/14/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.H.1.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Angie Resio, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Dannenbaum Engineering Company, representing Charles D. Muller, is requesting preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision. The property is legally described as being a 2.892 acre tract of land, consisting of all of Lots 1 and 2, Center on Ridge Road Phase 1 subdivision and 0.731 acres out of a portion of Lot 203, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is located within the 400 Block of West Ridge Road. **SUB#181033**

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Dannenbaum Engineering Company, representing Charles D. Muller, is requesting preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision. **SUB#181033**

Financial Consideration: N/A

Staff Recommendation: Development Services recommends preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision subject to the listed conditions.

The Planning and Zoning Commission voted unanimously to approve the final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision.

Alternatives: N/A

ROUTING:

Angie Resio
Roland Gomez

Created/Initiated - 3/13/2019
Approved - 3/14/2019

Melanie Cano
City Management Office

Approved - 3/14/2019
Final Approval - 3/15/2019



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MARCH 18, 2019

TO: MAYOR AND CITY COMMISSION

FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES

THROUGH: ALEX MEADE, CITY MANAGER

SUBJECT: RE-PLAT OF CENTER ON RIDGE ROAD PHASE I SUBDIVISION FILE NO. SUB#181033

GENERAL INFORMATION:

APPLICANT: Dannenbaum Engineering Company, representing Charles D. Muller, is requesting preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision.

LEGAL DESCRIPTION: The property is legally described as being a 2.892 acre tract of land, consisting of all of Lots 1 and 2, Center on Ridge Road Phase 1 subdivision and 0.731 acres out of a portion of Lot 203, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property is located within the 400 Block of West Ridge Road.

ZONING: The property is currently zoned General Business District (C). The adjacent zones are Agricultural Open Space District (A-O) to the north and east and Single Family Residential District (R-1) to the south and west. The property is designated for commercial use in the Land Use Plan.

**PROPERTY
PROPOSED USE:** Retail.

VARIANCES: None requested.

RECOMMENDATIONS: Development Services recommends preliminary and final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision subject to the following conditions:

**STREETS, PAVING
AND R.O.W.:**

1. In compliance.

EASEMENTS:

1. Provide a 5' landscaping easement south of the 10' electrical easement.
2. For existing easements label existing and not dedicated by plat.
3. For the abandonment of easement verify with all entities if any utilities were installed provide letters or project engineer to provide a letter stating no utilities are existing.

**SIDEWALK:
ADA:**

1. As per City Standards.

FIRE PROTECTION:

1. See attach comments.

WATER:

1. See attach comments.
2. Follow City of Pharr Construction Standards Manual.

SEWER:

1. See attach comments.
2. Follow City of Pharr Construction Standards Manual.

DRAINAGE:

1. All drainage construction shall comply with City of Pharr standards.
2. See attach comments.

OTHER:

1. Will need to pay re-imbursement fee of \$322.40/acre(2.892) = \$ 932.38, Moore road sewer improvements reimbursement.
2. Verify metes & bounds with proposed south side subdivision. (bearings do not match verify with Q&H)
3. Verify spelling on metes & bounds on the 8th paragraph.
4. When submitting make sure plans are not blurred.

**PLANNING AND
ZONING
COMMISSION:**

The Planning and Zoning Commission voted unanimously to approve the final plat approval of the proposed Re-plat of Center on Ridge Road Phase I Subdivision.



Pharr Fire – Rescue
118 S Cage Blvd., 3rd Floor
Pharr, Texas 78577
Tel: (956) 402-4400 Fax: (956) 475-3433



Subdivision: Center on Ridge Road Phase 1 Subdivision Re-Plat Review

Reviewed By: Dago Soto Asst. Fire Marshal Date: February 28, 2019

1. All designed waterlines shall be a minimum of eight (8) inch for residential and (8-12) inch in diameter for commercial and (12) inch or better for industrial areas unless fire flow requires larger lines for commercial areas.
2. All designed waterlines shall be looped on a fire department approved water main (Utilities shall be in place including fire hydrants before any construction above the slab)
3. Fire hydrants shall be installed at a maximum of 300 ft. intervals in any mercantile district and every 600 ft. in residential areas and shall be FACTORY YELLOW from the manufacture with a minimum arrangement being so as to have a hydrant available for distribution to hose to any portion of any building in the premises at distances not exceeding 400 ft., but in no case shall hose lengths be greater than 400 ft. The distance shall be measured on a roadway surface meeting the fire department access requirements of 503.1 International Fire Code 2012.
4. All premises where building or portions of buildings are located more than 300 ft. from a main street fire hydrant: system shall be provided with approved on site fire hydrant (s) and water mains capable of supplying adequate fire flow approved by the Fire Officials.
5. Street names shall be provided prior to or during the per-construction meeting for review and approval. No street name shall be duplicated within the City of Pharr and its E.T.J. Alignment of new streets with existing streets shall take precedence over new street name assignment.
6. During construction, when combustibles are brought on the site in such quantities as deemed hazardous by the Fire Official, access roads and a suitable temporary supply of water acceptable to the Fire Department shall be provided and maintained.
7. \$25.00 fee for each Blue Marker to be affixed on payment by city to indicate location of a fire hydrant. FIRE HYDRANT COLOR MUST BE FACTORY YELLOW FROM MANUFACTURE PRIOR TO INSTALLATION.
8. Contractor testing waterlines shall dispose highly chlorinated water. (Hazardous Waste)
9. Fire lanes must be painted RED: 15 feet on each side of hydrant (total 30 feet)* with lettering at least 3 inches tall. FIRE LANE – TOW AWAY ZONE.
10. Any new subdivision with GATED COMMUNITY SECURITY SYSTEMS must obtain the Fire Department approved Knox Box Switch –Rapid Entry System made by the Knox Company (Phone Number 800-552-5669 Fax 949-623-4647) or an approved fire department siren system before subdivision's final approval of 503.5 in International Fire Code 2012: Where security gates are installed, with a minimum of 20 ft. (6096 mm) clearance shall be maintained and a means for emergency operations shall be provided and maintained as approved by the fire official.
11. Designed fire lanes or roads deemed necessary for fire department access by the fire official shall be established and maintained in an operable condition. 503.1 International Fire Code 2012: All weather surfaces must be in place before any final inspection is approved. Facilities, buildings or portions of buildings hereafter constructed shall be accessible to the department apparatus by a way of an approved fire apparatus access road with an asphalt, or concrete driving surface capable of supporting the imposed load of fire apparatus weighting at least 75,000 pounds.
12. Access road width with a hydrant. Where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 26 feet, exclusive of shoulders.
13. All water valves (hydrant and main) shall be open prior to final inspection.
14. Public utilities personnel must be advised prior to opening and closing existing water valves.
15. Must meet City of Pharr Standards Manual Construction & Development Guide.

Additional Comments:

☒ Provide the size of main on eastside of development

☒ Show existing fire hydrants

STAFF REVIEW FOR:

RE-PLAT OF CENTER ON RIDGE RD PHASE 1 SUBDIVISION

COMMENTS: Initials: O.D.L. / R. B FEBRUARY 26, 2019

WATER:

- Will need to clean up utility map
- Will need to show existing fire hydrants in the area
- Follow City of Pharr Construction Standards Manual

SEWER:

- OK
- Follow City of Pharr Construction Standards Manual

Developer/Owner/Responsible Party must comply with the conditions stated above. WATER METERS WILL NOT BE INSTALLED IF THERE IS A failure to comply with ANY OF THE conditions. METERS WILL BE INSTALLED UPON PAYMENT AND COMPLIANCE WITH ALL CONDITIONS STATED. By signing this you understand you must comply with the condition(s) or the water meter(s) will not be installed.

Print Name: _____

Signature: _____

Date: _____



SUBDIVISION: Center on Ridge Rd.

DATE: 2/26/19

Residential/Commercial: _2.892_ acres

Staff Review:

Plat Notes:

- Erosion and Sediment control during construction shall be in accordance with the current Texas Pollution Discharge Elimination System (TPDES) **NOTE ON PLAT.**
- 5' sidewalk with A.D.A. ramps and landings will be required to be constructed during construction permit phase along any street. Unless otherwise stated. **NOTE ON PLAT**
- Owners are to maintain detention/retention areas. **NOTE ON PLAT**
- Owners to maintain R.O.W. and perimeter of subdivision. **NOTE ON PLAT**

General Notes:

- All drainage construction shall comply with City of Pharr Standards.
- A drainage report is required for all new subdivisions and/or development(s).
- Storm water drainage requirements not considered through the subdivision process will be addressed at building permit stage
- Notice of Intent (NOI/CNOI) will be needed before NTP is issued.
- SWPPP will be required before Notice to Proceed (NTP) is issued; SWPPP will be submitted at Pre Construction Meeting.

- Need S.W.P.P.P. 3 hard copies, 1 for review, 2 for finalization.
- Approved Drainage Report needed.
- Erosion and sediment control plan.



SUBDIVISION: Center on Ridge Rd.
Subdivision

DATE: February 28, 2019

REVIEW: Preliminary

PLAT

1. Make location map text clearer and legible.
2. Note No. 1--- Revise note to say “. . . above top of curb **of the street at center of lot.**”
3. Note No. 3---Revise note to say “. . . as per city **of Pharr** ordinance.”
4. Note No. 5---A 5 FT sidewalk, wheelchair ramps and landings as per ADA requirement.
5. Note No. 6---Drainage directive must include the storm water detention volumes for both lots 1 and 2.
6. Note No. 7---Revise to include detention / **retention** pond.
7. Note No. 9---Revise note to say “Storm Water Pollution Prevention plan (SWPPP) **and the Texas Pollution Discharge and Elimination System** (TPDES).”
8. Add Note---Owners to maintain R.O.W. and perimeter of subdivision.
9. Add Note---No structure shall be built on top of any easements.or lot lines.
10. Missing Professional Land Surveyor Seal.

SITE PLAN

DRAINAGE

1. Drainage to be reviewed and approved at building permit phase.

ADDITIONAL COMMENTS

Eddie Martinez

From: Javier <jl_hcid2@att.net>
Sent: Wednesday, February 27, 2019 4:25 PM
To: Eddie Martinez
Subject: Andres Subdivision / Center on Ridge Subdivision

***** This is an email from an EXTERNAL source. DO NOT click links or open attachments without positive sender verification of purpose. Never enter USERNAME, PASSWORD or sensitive information on linked pages from this email. *****

Andres Subdivision

1. 25' Maintenance Rd. must be shown V 19 Pg. 297 R.O.W.
2. Drainage Ditch V26 Pg. 203 Track 42
3. Need Deed

Center on Ridge

1. Make reference to lot 203 as P.O.C.
2. Exclusion to the extension of original subdivision.
3. Flat rate must be payed \$125.97
4. Any crossings of H.C.I.D.No.2 property must be approved.

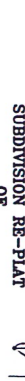
Javier Lopez
Water Operations Superintendent
Hidalgo County Irrigation District No. Two
P.O. Box 6
San Juan, TX 78589
Phone: 956-787-1422
Email: jl_hcid2@att.net
Web: hcid2.org

5.

- FOUND HIGH ROO (WALLES OVERWEIGHT NOTED)
- SET HIGH ROO (WALLES OVERWEIGHT NOTED)

P.O.C. - POINT OF COMMENCING
P.O.E. - POINT OF ENDING
M.A.R.C.T. - MILE RECORDS TEXAS
M.A.R.C.T. - MILE RECORDS HOUSTON COUNTY, TEXAS
D.M.I.C.T. - DEED RECORDS HOUSTON COUNTY, TEXAS
VOL. - VOLUME
AC. - ACRES
MC. - MEASURE
E. - EASTING
ENST. - ENDS THE

scale 1



CENTER ON RIDGE ROAD PHASE 1

RECORDS OF HENDALO COUNTY, TEXAS

[illegible]

UNITED STATES OF AMERICA



BY _____

PREPARED ON 10/02/

and public places shown therein for the purpose of con-

Given under my hand and seal of office, this the _____ day of _____, 2011.

conforms to all requirements of the subdivision regulations of this city wherein my approval is required.

100

APPROVAL BY PLANNING AND ZONING COMMISSION

city wherein my approval is required.

1

HEDALGO COUNTY DRAINAGE DISTRICT NO. 1 CERTIFICATION

102

HEDALGO COUNTY IRRIGATION DISTRICT NO. 2 CERTIFICATE NO. _____

No improvements of any kind (including without limitation, fences, fences, and building) shall be placed upon Hixson County Tract No. 2 north-of-river or

Attest

INSTRUMENT N°

BY _____

DANNENBAUM
ENGINEERING COMPANY - McALLEN, L.L.C.
T.B.P. #E FIRM REGISTRATION #8999
1109 WEST NOLANA AVE. STE 208 McALLEN, TX 78504 (956) 482-3254
T.B.P. #L FIRM REGISTRATION #1018400
3100 W. ALABAMA ST., HOUSTON, TX 77098 (713) 520-0570

17

SCALE: 1 = 100

1. MINIMUM FINISH FLOOR ELEVATION IS ABOUT THE TOP OF CURB OF THE STREET AT CENTER OF LOT.

BASE LOAD DEPTHS ARE SHOWN WITHIN THESE ZONES. (ZONE X (UNSATURATED) IS USED ON NEW AND REWELD MAPS IN PLACE OF ZONE C.)

4. ENOUGH WATER: DOCUMENTATION FOR CITY OF PHOENIX MONITORING SYSTEM

NORTHEAST CORNER OF CENTER ON ROAD PHASE 1 SUBDIVISION
GPS ELEVATION PER NAVD 83 (GEOID 2003) OF:

5. ALL SIDEWALKS, WHEELCHAIR RAMP AND LANDINGS REQUESTED DURING PROJECT.

OF RECORD FOR THIS SUBDIVISION PLAT HAS ESTIMATED THAT AN AREA OF APPROXIMATELY 0.127 ACRES AND 0.254 ACRE FEET FOR LOT ONE (1).

NO BIDDING PLANS! SHALL BE ISSUED FOR THE PLANNED PROPERTY OF
A STORM WATER DETENTION SYSTEM DESIGN HAS BEEN APPROVED BY THE
CITY OF BUREAU FOR THE DEVELOPMENT OF THE PROJECT

PROTECTION IS IN PLACE AND ADDITIONAL FIRE PROTECTION MAY BE REQUIRED AT TIME OF BUILDING RETAIL PHASE.

DISCHARGE AND ELIMINATION SYSTEM (IDDES).

GRANTED.

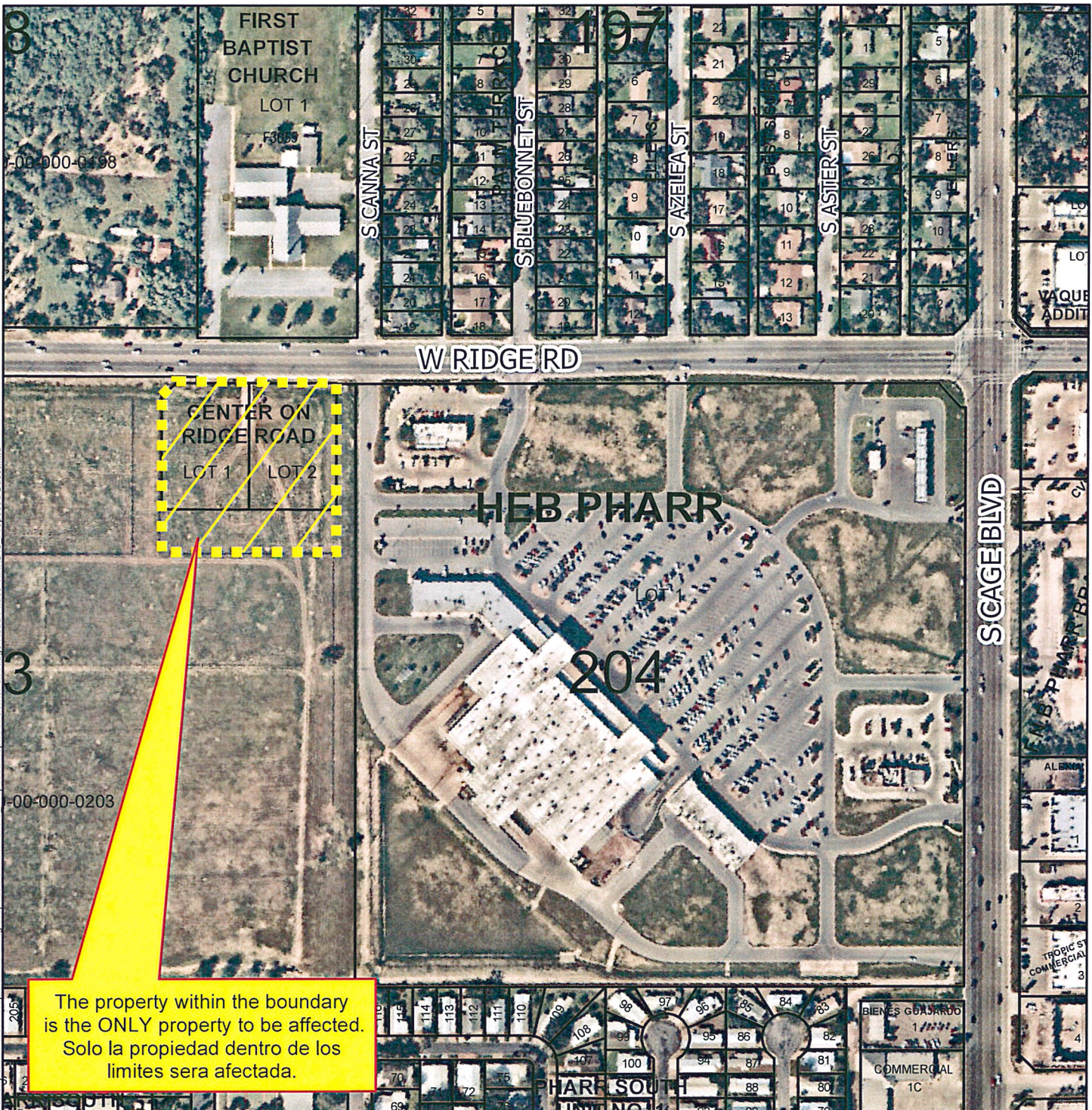
13. THE EVIDENCE SHALL BE RESPONSIBLE FOR DETERMINING AND ACCORDING TO THE VOLUME SHOWN ON THIS PLAT IF IT IS DETECTED MORE THAN THE DETAINED VOLUME SHOWN ON THIS PLAT.

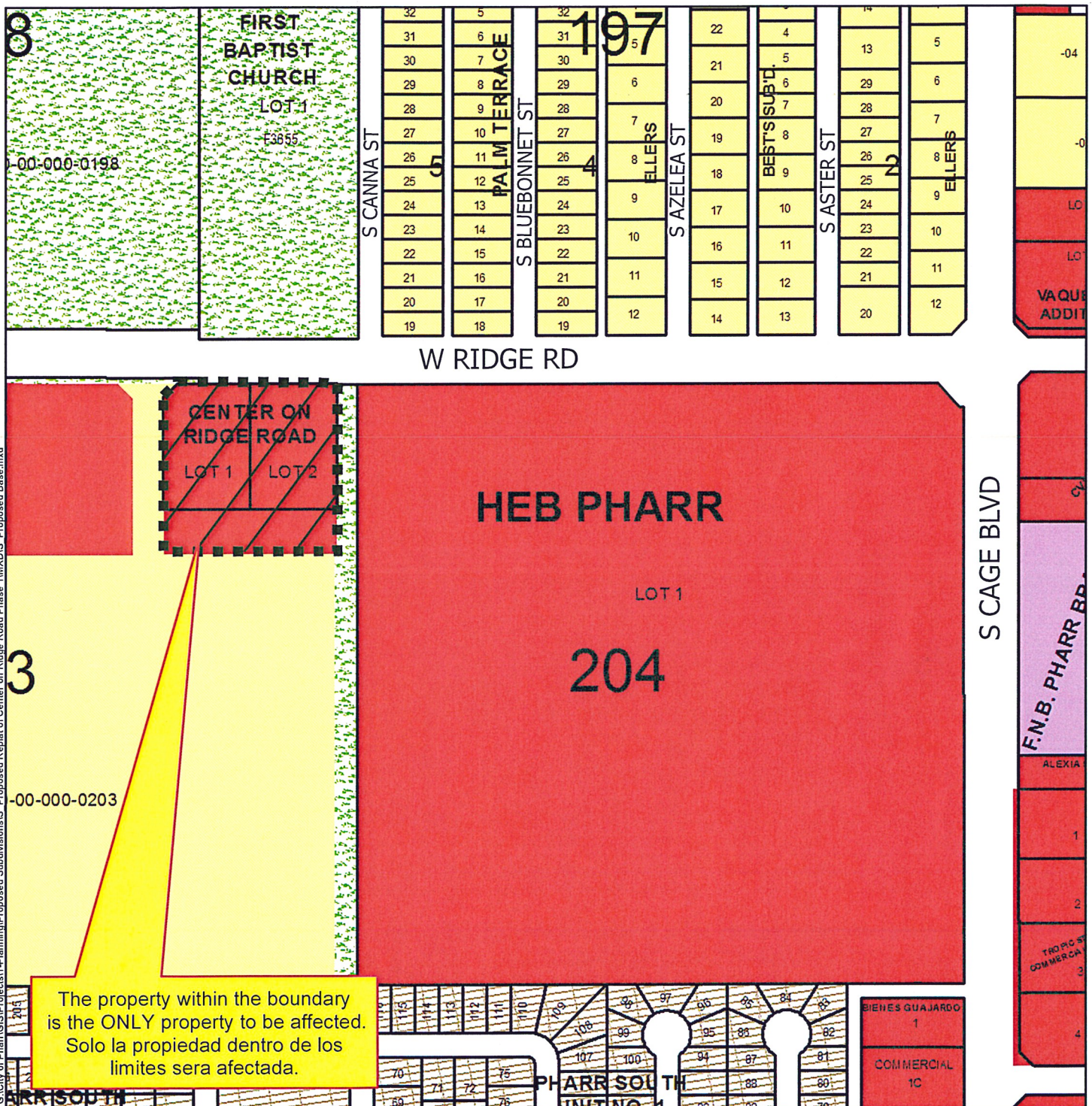
at the market place. But by definition, archaeologists are charged

14. ORNAMENT(S) TO MAINTAIN R.O.W. AND PERMITTEE OF SUBDIVISION

U.S. DEPARTMENT OF JUSTICE

T.B.P.L.S. FIRM REGISTRATION #101118





- | | | | | |
|-----------------------------|---------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | High Density Multi-Family | Government Owned | Heavy Industrial | Hidalgo ISD |
| Single Family | Mobile Home | General Business | Limited Industrial | Valley View ISD |
| Single Family Small Lot | Townhouse | Business District | Neighborhood Commercial | Planned Unit Development |
| Two Family | HUD Code | Drainage Easement | Office Professional | |
| Medium Density Multi-Family | Rail Road R.O.W. | Heavy Commercial | PSJA ISD | |





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.A.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Consideration and action, if any, on Ordinance renaming public roadway from Rancho Blanco Road to Javelina Drive. *(2nd Reading)*

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The City Commission of the City of Pharr has determined that it is in the public interest that the City change the street name of Rancho Blanco Road to Javelina Drive.

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Hilda Pedraza
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/12/2019
Approved - 3/12/2019
Approved - 3/13/2019
Final Approval - 3/14/2019

ORDINANCE NO. O-2019-__

AN ORDINANCE DESIGNATING, RENAMING, A PUBLIC ROADWAY: RANCHO BLANCO ROAD TO JAVELINA DRIVE AND PROVIDING FOR A SEVERABILITY CLAUSE; CUMULATIVE CLAUSE; EFFECTIVE DATE

WHEREAS, the City Commission of the City of Pharr, in accordance with its powers and the authorizations granted to it by state law and ordinance, seeks to designate a public roadway within its' territorial city limits as indicated herein;

WHEREAS, Section 251.013 of the Texas Transportation Code establishes that the authority of a county to name any public roadway within its' territorial county limits is subject to municipal ordinance;

WHEREAS, Section 1-8(5) of the Pharr Code of Ordinances authorizes the City of Pharr to name public streets within its' territorial city limits.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, THAT:

SECTION 1: Public roadway name designation. As indicated herein, as of the effective date of this ordinance, Rancho Blanco Road shall now be known, renamed and referred to as: Javelina Drive (see Exhibit A).

SECTION 2: Cumulative Clause. This ordinance shall be cumulative of all other ordinances dealing with the same subject and other ordinances in direct conflict with this ordinance is herewith repealed and this ordinance shall supersede and provisions in conflict herewith, all other provisions of the above described ordinance shall remain in full force and effect.

SECTION 3: Severability Clause. If any section, part of provisions of this ordinance is declared unconstitutional or invalid, such declaration shall not affect the validity of the remaining sections, parts or provisions of this ordinance.

SECTION 4: Effective Date. This ordinance shall take effect 30 days upon receiving final approval by the governing body following three (3) readings of the Board of Commissioners.

PASSED AND APPROVED ON THE FIRST READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE SECOND READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the ____ day of _____, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE THIRD AND FINAL READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the ____ day of _____, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.B.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Alex Meade

Agenda Item: Consideration and action, if any, on Ordinance appointing Judges, Alternate Judges, and Early Voting Ballot Board Judge for the General Municipal Election to be held on Saturday, May 4, 2019.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The attached ordinance will put into place the Judges, Alternate Judges, and Early Voting Ballot Board Judge (mail ballots) for the upcoming Municipal Election on Saturday, May 4, 2019.

An individual appointed as Judge must be a registered voter from the election precinct and the Alternate Judge must be a registered voter of the county/city where the election is being conducted. The recommended period to appoint judges is March 11-22, 2019. By beginning this process early will allow sufficient time to give notice to the judges, schedule training and if needed, make the necessary changes.

The individuals listed below have expressed interested in serving.

Election Precincts 61, 116, and 240 - Pharr Housing Authority 104 W. Polk Ave.

Presiding Judge - *(Needed)*

Alternate Judge - *(Needed)*

Election Precincts 06, 35, and 147 - Jose "Pepe" Salinas Civic Center 1011 W. Kelly

Presiding Judge - Marilyn Junge

Alternate Judge - Denise Hansen

Election Precincts 60 and 115 - Buckner Elementary School 1001 North Fir

Presiding Judge - Alicia Torres

Alternate Judge - Fidel Gonzalez

Election Precincts 25 and 36 - Pharr Elementary School 500 E. Sam Houston

Presiding Judge - Alfonso Cardenas

Alternate Judge - Olivia Valdez

Election Precincts 05, 122 - Development & Research Center 850 W. Dicker
137, 146, and 227

Presiding Judge - *(Needed)*

Alternate Judge - *(Needed)*

Early Voting Ballot Board Judge: *(Needed)*

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Hilda Pedraza
Patricia Rigney
City Management Office

Created/Initiated - 3/13/2019
Approved - 3/13/2019
Final Approval - 3/15/2019

ORDINANCE NO. O-2019-__

**ORDINANCE APPOINTING JUDGES AND ALTERNATE
JUDGES FOR THE GENERAL MUNICIPAL ELECTION
TO BE HELD ON SATURDAY, MAY 4, 2019**

WHEREAS, the Board of City Commissioners of the City of Pharr, Texas (the “City”) has ordered a general municipal election be held on Saturday, May 4, 2019 within and throughout the corporate limits of the City at which all residents, qualified electors of the District shall be entitled to vote for Mayor, Commissioner Place 1, Commissioner Place 5, and Commissioner Place 6.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, THAT:

SECTION 1: Presiding and Alternate Election Judges: The presiding and alternate judges for each voting precinct established for the Election in the order calling the election, shall be appointed for one single election and runoff election if necessary, and shall be the following:

Election Precincts 61, 116, and 240	-	Pharr Housing Authority 104 W. Polk Ave.
Presiding Judge	-	
Alternate Judge	-	
Election Precincts 06, 35, and 147	-	Jose “Pepe” Salinas Civic Center 1011 W. Kelly
Presiding Judge	-	
Alternate Judge	-	
Election Precincts 60 and 115	-	Buckner Elementary School 1001 North Fir
Presiding Judge	-	
Alternate Judge	-	
Election Precincts 25 and 36 -		Pharr Elementary School 500 E. Sam Houston
Presiding Judge	-	
Alternate Judge	-	

Election Precincts 05, 122 - Development & Research Center
137, 146, and 227 850 W. Dicker

Presiding Judge -

Alternate Judge -

SECTION 2: Appointment of Election Clerks: The Presiding Judge of each Voting precinct shall appoint not more than three (3) qualified election clerks to serve and assist in conducting the Election; provided that if the Presiding Judge actually serves as expected, the Alternate Judge shall be one of such clerks.

SECTION 3: Compensation for Services at Polling Place: The presiding judge, alternate judge, and each election clerk appointed by the presiding judge shall be Compensated for services rendered, as follows:

Presiding Judge	\$12.00 per hour
Alternate Judge	\$11.00 per hour
Election Clerk	\$10.00 per hour

A judge or clerk may not be paid for more than one hour of work before the polls open. In a precinct in which voting machines are used, a judge or clerk may not be paid for more than two hours of work after the time for closing the polls or after the last voter has voted, whichever is later.

SECTION 4: Compensation for Delivering Election Records and Supplies:
The election judge or clerk who delivers the precinct election records, keys to ballot boxes or other election equipment, and unused election supplies after an election is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge shall determine how the amount fixed for the services is to be allocated among the officers.

SECTION 5: Early Voting Ballot Board Created: An early voting ballot board shall hereby be created to process early voting results from the territory served by the early voting clerk.

SECTION 6: Composition of Early Voting Ballot Board: The early voting ballot board consists of a presiding judge and two other members. The presiding judge of the ballot board shall be _____ The presiding judge shall appoint the two (2) other members to serve on the early voting ballot board.

SECTION 7: Eligibility for Board Membership: To be eligible for appointment to the early voting ballot board, a person must meet the requirements for eligibility for service as a presiding election judge, except that the appointee must be a qualified voter of the territory served by the early voting clerk and is not required to be a qualified voter of any other particular territory.

SECTION 8: Compensation of Early Voting Ballot Board Members: Members of the early voting ballot board shall be compensated at the same hourly rate as the presiding judge for the Election, for the hours actually worked, but not less than an amount equal to 10 hours work. A member of this board who also serves as a judge or clerk in the Election shall not be entitled to additional compensation for services in this board.

SECTION 9: Declaring an Emergency Clause: The importance of the subject matter hereof creates an emergency and an imperative public necessity requiring the suspension of the rule that Ordinance be read on three separate days, and such rule is hereby suspended and said requirement is dispensed with by a vote of not less than a majority of all the members of the Board of Commissioners. This Ordinance shall take effect and be in full force from and after its passage and approval.

PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS on this the 18th day of March, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.C.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Elva Guajardo, Administrative Assistant

DEPARTMENT: Parks

DIRECTOR: Sergio Alanis

Agenda Item: Consideration and action, if any, on Resolution appointing one (1) member to the Parks and Recreation Advisory Board.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Due to the passing of Board Member Oralía Rodríguez a new board member is to be appointed in order to fill the vacancy.

Financial Consideration: N/A

Staff Recommendation: City commission appoint a new board member.

Alternatives: N/A

ROUTING:

Elva Guajardo
Sergio Alanis
City Management Office

Created/Initiated - 3/11/2019
Approved - 3/11/2019
Final Approval - 3/15/2019

THE STATE OF TEXAS

§

RESOLUTION

COUNTY OF HIDALGO

§

NO. R-2019-_____

CITY OF PHARR

§

WHEREAS, in accordance with city ordinance, Chapter 90, Article II, Section 90-32, has created and appointed a Parks and Recreation Committee; and

WHEREAS, Ordinance No. O-2017-36 amended Ordinance No. O-2017-22 increasing members from seven (7) to nine (9) members whose terms shall be five (5) members to serve a three (3) year term and four (4) members to serve a two (2) year term; and

WHEREAS, a vacancy has occurred due to the passing of board member Oralía Rodriguez; and

WHEREAS, appointment of one (1) member is needed for the reminder of the unexpired term; and

WHEREAS, such member shall assume the duties, responsibilities, and powers provided by city ordinance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, THAT:

The following person is hereby appointed as member of the Parks and Recreation Committee of the City of Pharr.

NAME:

LENGTH OF TERM:

1. _____

2-Year term (unexpired ending 06-05-19)

PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 18th day of March, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.D.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Elva Guajardo, Administrative Assistant

DEPARTMENT: Parks

DIRECTOR: Sergio Alanis

Agenda Item: Consideration and action, if any, on Resolution appointing one (1) member to the Golf Course Advisory Board.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Due to the passing of Board Member Eliseo Avendaño, a new board member is to be appointed in order to fill the vacancy.

Financial Consideration: N/A

Staff Recommendation: City Commission appoint a new board member.

Alternatives: N/A

ROUTING:

Elva Guajardo
Sergio Alanis
City Management Office

Created/Initiated - 3/11/2019
Approved - 3/11/2019
Final Approval - 3/15/2019

THE STATE OF TEXAS §
COUNTY OF HIDALGO § **R E S O L U T I O N**
CITY OF PHARR § **NO. R-2019-__**

WHEREAS, Ordinance No. O-99-23 created the Tierra Del Sol Golf Club Advisory Board for the City of Pharr Municipal Golf Course; and

WHEREAS, Ordinance No. O-2017-03 amended Ordinance No. O-2015-51 increasing members from seven to nine members whose terms of service are two years and three years; and

WHEREAS, a vacancy has occurred due to the passing of board member Eliseo Avendano; and

WHEREAS, appointment of one (1) member is needed at this time; and such member shall perform duties as may be prescribed by ordinance or state law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, THAT the following person is hereby appointed as member of the Tierra Del Sol Golf Club Advisory Board.

NAME:

LENGTH OF TERM:

1. _____ 2 –Year term (unexpired ending 11/01/19)

READ, PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 18th day of March, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.E.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Sonia Barajas, CDBG Secretary

DEPARTMENT: GMCD

DIRECTOR:

Agenda Item: Consideration and action, if any, on Resolution appointing two (2) members to the Community Development Council.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Mr. Rafael Rivera (At-large) has resigned and needs to be replaced. Ms. Sally Saucedo (CT 213) South Pharr has not been attending the meetings and a replacement is being recommended. Their terms expired on March 19, 2019.

Financial Consideration:

Staff Recommendation: Staff recommends Romeo Robles (At-large) and Trinidad Z. Suchil (CT 213).

Alternatives:

ROUTING:

Sonia Barajas
Raul Garza
City Management Office

Created/Initiated - 3/13/2019
Approved - 3/13/2019
Final Approval - 3/14/2019

§

§

§

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.F.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Daniel Ramirez, Communications
Director/Deputy EMC

DEPARTMENT: Communications

DIRECTOR:

Agenda Item: Consideration and action, if any, on Resolution supporting the 911 SAVES Act (Supporting Accurate View of Emergency Services Act of 2019).

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Daniel Ramirez
Daniel Ramirez
Patricia Rigney
City Management Office

Created/Initiated - 3/13/2019
Approved - 3/13/2019
Approved - 3/13/2019
Final Approval - 3/14/2019

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§

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NO. R-2019-_____

HILDA PEDRAZA, CITY CLERK

.....
(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R. _____

To require the Director of the Office of Management and Budget to review and make certain revisions to the Standard Occupational Classification System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. TORRES of California introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Director of the Office of Management and Budget to review and make certain revisions to the Standard Occupational Classification System, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Supporting Accurate
5 Views of Emergency Services Act of 2019” or the “911
6 SAVES Act”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) Public Safety Telecommunicators play a
4 critical role in emergency response.

5 (2) The work Public Safety Telecommunicators
6 perform goes far beyond merely relaying information
7 between the public and first responders.

8 (3) When responding to reports of missing, ab-
9 ducted, and sexually exploited children, the informa-
10 tion obtained and actions taken by Public Safety
11 Telecommunicators form the foundation for an effec-
12 tive response.

13 (4) When a hostage taker or suicidal person
14 calls 9-1-1, the first contact is with the Public Safe-
15 ty Telecommunicator whose negotiation skills can
16 prevent the situation from getting worse.

17 (5) During active shooter incidents, Public
18 Safety Telecommunicators coach callers through
19 first aid and give advice to prevent further harm, all
20 while collecting vital information to provide situa-
21 tional awareness for responding officers.

22 (6) And when police officers, firefighters, and
23 Emergency Medical Technicians are being shot at,
24 their calls for help go to Public Safety Telecommu-
25 nicators.

1 (7) They are often communicating with people
2 in great distress, harm, fear, or injury, while em-
3 ploying their experience and training to recognize a
4 critical piece of information.

5 (8) In fact, there have been incidents in which
6 Public Safety Telecommunicators, recognizing the
7 sound of a racked shotgun, have prevented serious
8 harm or death of law enforcement officers who
9 would have otherwise walked into a trap.

10 (9) This work comes with an extreme emotional
11 and physical impact that is compounded by long
12 hours and the around-the-clock nature of the job.

13 (10) Indeed, research has suggested that Public
14 Safety Telecommunicators are exposed to trauma
15 that may lead to the development of posttraumatic
16 stress disorder.

17 (11) Recognizing the risks associated with expo-
18 sure to traumatic events, some agencies provide
19 Critical Incident Stress Debriefing (CISD) teams to
20 lessen the psychological impact and accelerate recov-
21 ery for Public Safety Telecommunicators and first
22 responders, alike.

23 (12) The Standard Occupational Classification
24 system is designed and maintained solely for statis-
25 tical purposes, and is used by federal statistical

1 agencies to classify workers and jobs into occupa-
2 tional categories for the purpose of collecting, calcu-
3 lating, analyzing, or disseminating data.

4 (13) Occupations in the Standard Occupational
5 Classification are classified based on work performed
6 and, in some cases, on the skills, education, or train-
7 ing needed to perform the work.

8 (14) Classifying public safety telecommunica-
9 tors as Protective Service Occupations would correct
10 an inaccurate representation in the Standard Occu-
11 pational Classification, recognize these professionals
12 for the lifesaving work they perform, and better
13 align the Standard Occupational Classification with
14 related classification systems.

15 **SEC. 3. REVIEW OF STANDARD OCCUPATIONAL CLASSI-**
16 **FICATION SYSTEM.**

17 The Director of the Office of Management and Budg-
18 et shall not later than 30 days after the date of the enact-
19 ment of this Act, categorize public safety telecommunica-
20 tors as a protective service occupation under the Standard
21 Occupational Classification System.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.A.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Patricia Rigney, City Attorney

DEPARTMENT: Municipal Court

DIRECTOR: Marissa Hernandez

Agenda Item: Consideration and action, if any, declaring/ratifying amnesty period for failure to appear and warrant charges from March 11, 2019 to April 30, 2019.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The City last offered an amnesty period in 2016. Periodically an amnesty period is necessary to allow citizens to take care of their failure to appear and warrant charges. The Municipal Court is seeking to allow an amnesty period from March 11, 2019 through April 30, 2019.

Financial Consideration:

Staff Recommendation: Approval of amnesty period.

Alternatives:

ROUTING:

Patricia Rigney
City Management Office

Created/Initiated - 3/11/2019
Final Approval - 3/15/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.B.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on deductive Change Order No. 1 and acceptance of the City of Pharr Eldora Elevated Storage Tank Improvements Project as complete and authorization to release final payment and retainage in the amount of \$124,249.85 (Project #1617-02-582-0002)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Landmark Structures I, LP, has completed the City of Pharr Eldora Elevated Storage Tank Improvements project. A final inspection was held on March 6, 2019, and the project engineer deemed the improvements as completed according to plans and specifications. Change Order #1 is for final reconciliation of quantities, time, and items.

Financial Consideration:

Original Contract: \$2,735,000.00

Change Order No. 1: \$ -250,003.00

Final Contract: \$2,484,997.00

Staff Recommendation: Staff recommends approval of deductive Change Order #1 (Landmark Structures I, LP) in the amount of \$250,003.00 decreasing the contract amount from \$2,735,000.00 to a revised contract amount of \$2,484,997.00. Final payment and release of retainage is in the amount of \$124,249.85.

Alternatives: None.

ROUTING:

Omar Anzaldua
Omar Anzaldua
Sandra Zamora
Patricia Rigney
Karla Moya
City Management Office

Created/Initiated - 3/11/2019
Approved - 3/11/2019
Approved - 3/13/2019
Approved - 3/14/2019
Approved - 3/15/2019
Final Approval - 3/15/2019



CHANGE ORDER

Contractor: Lanmark Structures I, LP

Change Order No.: 1

Project: City of Pharr Elevated Storage Tank Improvements

Date: 3/18/2019

Project # 1617-02-582-0002

Notice to Proceed Date: 21-Apr-17

Change Order Amount: \$ (250,003.00)

You are directed to make the following changes in the Contract Documents:

Reduction of Contract amount of \$250,003.00 cost savings

Contract time extension of 90 calendar days.

Reason for Change Order:

Consolidation of quantities and cost savings during construction.

Consideration of contract time extension, due to rain days and unforeseen conditions

	Contract Price		Contract Time(Calendar Days)
Original Contract:	\$ 2,735,000.00	Original Completion Date:	21-Apr-18
Previous Change Order: (+/-)	\$ -	Additional Days:	90
This Change Order: (+/-)	\$ (250,003.00)	Revised Completion Date:	20-Jul-18
Revised Contract Amount:	\$ 2,484,997.00		

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

Accepted:

Larry Leimer

Contractor

Authorized Signature

Date

Recommended:

JoEmma P. Sherfey, PE

Project Engineer

Authorized Signature

Date

Omar Anzaldia Jr., PE, CFM, PMP, CCM

City Engineer

Authorized Signature

Date

Approved:

Alex Meade

City Manager

Authorized Signature

Date



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.C.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on deductive Change Order No.1 and acceptance of the City of Pharr Manhole Rehabilitation Project as complete and authorization to release final payment and retainage in the amount of \$97,283.35. (Project #1718-61-587-C011-116)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Southern Trenchless Solutions, Inc., has completed the City of Pharr Manhole Rehabilitation project. The engineer deemed the improvements as completed according to plans and specifications. Change Order #1 is for final reconciliation of quantities, time, and items.

Financial Consideration:

Original Contract:	\$223,962.00
Change Order No. 1:	\$ -550.00
Final Contract:	\$223,412.00

Staff Recommendation: Staff recommends approval of deductive Change Order No. 1 in the amount of \$550.00 decreasing the contract amount from \$223,962.00 to a revised contract amount of \$223,412.00. Final payment and release of retainage is in the amount of \$97,283.35.

Alternatives: None.

ROUTING:

Omar Anzaldua
Omar Anzaldua

Created/Initiated - 3/11/2019
Approved - 3/11/2019

Sandra Zamora

Patricia Rigney

Karla Moya

City Management Office

Approved - 3/14/2019

Approved - 3/15/2019

Approved - 3/15/2019

Final Approval - 3/15/2019



CHANGE ORDER

Contractor: Southern Trenchless Solutions Inc.

Change Order No.: 1

Project: City of Pharr Manhole Rehabilitation Project

Date: 3/18/2019

Project # 1718-61-587-C011-116

Notice to Proceed Date: 15-Mar-18

Change Order Amount: \$ (550.00)

You are directed to make the following changes in the Contract Documents:

Deletion of Manhole 1 & 25 and addition of 90 s.f of extra concrete at Manhole 16

Addition of Additive Bid Items 1 & 2

Deletion of the Allowance/Betterment

Reason for Change Order:

Reconciliation of quantities.

	Contract Price		Contract Time(Calendar Days)
Original Contract:	\$ 223,962.00	Original Completion Date:	14-Mar-19
Previous Change Order: (+/-)	\$ -	Additional Days:	0
This Change Order: (+/-)	\$ (550.00)	Revised Completion Date:	14-Mar-19
Revised Contract Amount:	\$ 223,412.00		

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

Accepted:

Ramon Closner

Contractor

Authorized Signature

Date

Recommended:

Omar Anzaldia Jr., PE, CFM, PMP, CCM

Project Engineer

Authorized Signature

Date

Omar Anzaldia Jr., PE, CFM, PMP, CCM

City Engineer

Authorized Signature

Date

Approved:

Alex Meade

City Manager

Authorized Signature

Date



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.D.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on Change Order No. 1 for the Single Machine Repaving Project Year 4 (Project No. 1819-01-528-C006-241).

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Change Order No. 1 is for the repaving of a portion of East Minnesota Road. This change order will be an increase to the contract amount, but the project will remain within the approved budget of \$3.2 Million for the Single Machine Repaving Project Year 4.

Financial Consideration:

Original Contract Amount:	\$2,878,047.54
Change Order No. 1	\$187,127.28 (6.5%)
Revised Contract Amount	\$3,065,174.82

Staff Recommendation: Staff recommends approval of Change Order No. 1 to add \$187,127.28 to Cutler Repaving, Inc. contract for the Single Machine Repaving Project Year 4.

Alternatives:

ROUTING:

Omar Anzaldua

Created/Initiated - 3/11/2019

Omar Anzaldua
Sandra Zamora
Karla Moya
Patricia Rigney
City Management Office

Approved - 3/11/2019
Approved - 3/13/2019
Approved - 3/13/2019
Approved - 3/14/2019
Final Approval - 3/14/2019



CHANGE ORDER

Contractor: Cutler Repaving Inc.

Change Order No.: 1

Project: Single Machine Repaving Project Year 4

Date: 3/18/2019

Project # 1819-01-528-C006-241

Notice to Proceed Date: 4-Feb-19

Change Order Amount: \$ 187,127.28

You are directed to make the following changes in the Contract Documents:

Addition of East Minnesota Rd.

Reason for Change Order:

Additional Scope of Work

Contract Price		Contract Time(Calendar Days)	
Original Contract:	\$ 2,878,047.54	Original Completion Date:	2-Sep-19
Previous Change Order: (+/-)	\$ -	Additional Days:	0
This Change Order: (+/-)	\$ 187,127.28	Revised Completion Date:	2-Sep-19
Revised Contract Amount:	\$ 3,065,174.82		

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

Accepted:

John Miles

Contractor

Authorized Signature

Date

Recommended:

Omar Anzaldia Jr., PE, CFM, PMP, CCM

Project Engineer

Authorized Signature

Date

Omar Anzaldia Jr., PE, CFM, PMP, CCM

City Engineer

Authorized Signature

Date

Approved:

Alex Meade

City Manager

Authorized Signature

Date

CUTLER REPAVING, INC.

PHARR BID

BID NO. 1819-01-528-C006-241

MINNESOTA AVE

[illegible]



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.E.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on Change Order No. 1 for additional sidewalk improvements within the Witten Park, in order to comply with ADA requirements for the Pharr Sports Complex and Witten Park Dugout Improvements Project (Project #1718-40-510-C008-161)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Change Order No. 1 is for additional sidewalk improvements within the Witten Park, in order to comply with ADA requirements.

Financial Consideration:

Original Contract:	\$295,000.00
Change Order No. 1:	\$ 17,222.00
Final Contract:	\$312,222.00

Staff Recommendation: Staff recommends approval of Change Order No.1 (Arell Construction) in the amount of \$17,222.00 increasing the contract amount from \$295,000.00 to a revised contract amount of \$312,222.00.

Alternatives: None.

ROUTING:

Omar Anzaldua

Created/Initiated - 3/11/2019

Omar Anzaldua

Sergio Alanis

Sandra Zamora

Patricia Rigney

Karla Moya

City Management Office

Approved - 3/11/2019

Approved - 3/13/2019

Approved - 3/13/2019

Approved - 3/14/2019

Approved - 3/14/2019

Final Approval - 3/15/2019

Allowance Expenditure Authorization

Project: City of Pharr – Parks and Recreation (1718-40-510-C008-161)
Dugouts for the Pharr Sports Complex and Witten Park

Authorization No.: 01

AAA Project No.: 1717

Date: March 08, 2019

To: Arell Construction
2614 East Griffin Parkway
Mission, TX 78572

Attention: Ms. Arlina Ramos

You are authorized to perform the following item(s) of work and to adjust the allowance sum accordingly, as indicated below. This is not a change order and does not increase nor decrease the contract amount.

Description of Work:

- | | |
|--|-------------|
| 1. Per CPR #01 – Provide cost to repair the irrigation sprinkler system due to unforeseen conditions. | \$ 4,680.00 |
| 2. Per CPR #03R – Provide cost to remove and replace concrete sidewalks as required by (TDLR) Texas Department of Licensing and Regulations to comply with ADA requirements. | \$12,256.00 |
| 3. Per CPR #04 – Provide cost to remove and construct new ADA ramps as required by (TDLR) Texas Department of Licensing and Regulations per inspections. | \$20,286.00 |
| <i>(The remaining portion will be paid through a Change Order to the Contract)</i> | |

TOTAL: \$37,222.00

Original Owner's Contingency Allowance	\$ 20,000.00
Owner's Contingency Allowance Balance Prior to this Authorization	\$ 20,000.00
Allowance Sum will be Decreased by this Authorization.....	\$ 37,222.00
New Owner's Contingency Allowance Balance.....	\$ (17,222.00)

Alvarado Architects & Associates, Inc.

Date

Arell Construction

Date

City of Pharr

Date



CHANGE ORDER

Contractor: Arell Construction

Change Order No.: 1

Project: City of Pharr - Parks and Recreation Dugouts for
the Pharr Sports Complex and Witten Park
Project #1718-40-510-C008-161)

Date: 3/8/2019

Notice to Proceed Date: 8/15/18

Change Order Amount: \$17,222.00

You are directed to make the following changes in the Contract Documents:

Provide new ADA ramps with handrails for access to the existing restrooms at Witten Park per the inspection by the Texas Department of Licensing and Regulations.

Reason for Change Order:

Per the inspection from the Texas Department of Licensing and Regulation, ADA accessible ramps are required to the existing restrooms at Witten Park. The current access does not meet the requirements.

	Contract Price		Contract Time(Calendar Days)
Original Contract:	\$ 295,000.00	Original Completion Date:	5-Feb-19
Previous Change Order: (+/-)	\$ -	Additional Days:	10
This Change Order: (+/-)	\$ 17,222.00	Revised Completion Date:	15-Feb-19
Revised Contract Amount:	\$ 312,222.00		

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

Accepted:

Arlina Ramos, Administrator

Contractor

Authorized Signature

Date

Recommended:

Erasmio D. Alvarado, Jr. AIA

Project Architect

Authorized Signature

Date

Omar Anzaldúa Jr., PE, CFM, PMP, CCM

City Engineer

Authorized Signature

Date

Approved:

Alex Meade

City Manager

Authorized Signature

Date



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.F.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Elva Guajardo, Administrative Assistant

DEPARTMENT: Parks

DIRECTOR: Sergio Alanis

Agenda Item: Consideration and action, if any, on Change Order No. 1 for the purchase and installation of the Shade Structures for the Pharr Aquatic Center (Project #1819-01-522-P001-001; BB Contract #512-16)

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Prior to the installation of the aforementioned canopies in December of 2018, it was later determined to divide one (1) of the 25' x 19' canopies into two (2) separate canopies. Due to this adjustment, additional material such as extra columns and beams were necessary for the completion. These supporting materials totaled to an additional \$1,900. (PO #173776)

Financial Consideration:

PO #173776	\$62,433.00
C/O #1	\$ 1,900.00
New Total	\$64,333.00

Staff Recommendation: Staff recommends approval of Change Order No. 1 (Tenzo McAllen LLC) in the amount of \$1,900 for a new PO total of \$64,333.

Alternatives: N/A

ROUTING:

Elva Guajardo
Sergio Alanis
Sandra Zamora

Created/Initiated - 3/13/2019
Approved - 3/13/2019
Approved - 3/13/2019

Patricia Rigney
Karla Moya
City Management Office

Approved - 3/14/2019
Approved - 3/14/2019
Final Approval - 3/15/2019



MEMORANDUM

DATE: March 13, 2019

TO: Sandra Zamora, Purchasing Director

FROM: Sergio Alanis, Parks and Recreation Director

A handwritten signature in red ink, appearing to be "SA", located to the right of the "FROM:" line.

SUBJECT: Aquatic Center Canopies

Please be advised that in November 2018, Aquatic staff obtained a quote from Tenzo McAllen, LLC to construct two (2) 12' x 12' and two (2) 25' x 19' shade structures at the Pharr Aquatic Center. The total cost for the project was \$62,433. Prior to the installation of the aforementioned canopies in December of 2018, it was later determined to divide one (1) of the 25' x 19' canopies into two (2) separate canopies. Due to this adjustment, additional materials such as extra columns and beams were necessary for completion. These supporting materials totaled to an additional \$1,900.

Should you have any questions or concerns regarding this matter, please feel free to contact me at your at your earliest convenience. Thank you.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 8.A.

DATE SUBMITTED: March 5, 2019

MEETING DATE: March 18, 2019

FROM: Leonardo Perez, Fire Chief

DEPARTMENT: Fire

DIRECTOR: Leonardo Perez

Agenda Item: Consideration and action, if any, authorizing the purchase of Twelve (12) Motorola P-25 radios from Motorola Solutions Inc. through H-GAC Contract # RA05-18 (Project # 1819-01-515-P014-002).

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The current radios are over ten (10) years old. We are in need of upgrading our current software to be able to utilize the Bluetooth software in our SCBA Masks so company officers can better communicate in hazardous environments. These radios are Motorola compatible with the masks purchased 2-years ago.

Financial Consideration: This a budgeted item for this fiscal year 2018-1019. Account #01-51500-8804.

Budget	\$125,000.00
Expense	\$ 51,691.50
Balance	\$ 73,308.50

Staff Recommendation: Staff recommends approval to purchase twelve (12) P-25 Radios from Motorola Solutions Inc., through H-GAC Contract #RA05-18 for a total of \$51,691.50.

Alternatives:

ROUTING:

Leonardo Perez
Leonardo Perez
Patricia Rigney
Jose Pena

Created/Initiated - 3/5/2019
Approved - 3/5/2019
Approved - 3/8/2019
Approved - 3/12/2019

Sandra Zamora
Karla Moya
City Management Office

Approved - 3/13/2019
Approved - 3/14/2019
Final Approval - 3/14/2019

REQUEST FOR AVAILABILITY OF FUNDS

CONSTRUCTION ☐ PURCHASE ☒

PURCHASE & INSTALLATION ☐

DEPARTMENT SUBMITTING REQUEST:

SERVICE ☐ SUPPLY ☐

TYPE/PRINT NAME: Fire / Leonardo Perez

SIGNATURE: Leonardo L. Perez Digitally signed by Leonardo L. Perez
Date: 2019.03.05 08:08:19 -06'00'

TITLE: Fire Chief

DEPARTMENT: Fire Department

DATE: 03/05/2019

PROJECT NAME AND DESCRIPTION (indicate special funding requirements):

Purchase 12 Motorola dual band radios that can be used with S.C.B.A. masks that are Compatible with software.

This is a HGAC Contract # RA05-18

STATE/FEDERAL FUNDING (SPECIFY AGENCY(IES)):

STATE/FEDERAL GRANTS (SPECIFY AGENCY(IES)):

ACCOUNT NUMBER/PROJECT ID: 51500-8804 ESTIMATED COST: 51,691.50

ACCOUNT NUMBER/PROJECT ID: ESTIMATED COST:

BUDGET INFORMATION:

BUDGETED ☒ NOT BUDGETED ☐

FUND NAME: Capital Expenditures-Other Equipment

ACCOUNT NUMBER(S): 51500-8804

INCLUDE PROJ.ID(S):

AMOUNT: \$ 125,000.00

SIGNATURE:

TITLE: Karla Moya, Finance Director

DATE:

CITY MANAGER'S AUTHORIZATION TO SOLICIT BIDS:

APPROVED: ☐ SIGNATURE: DATE:

DISAPPROVED: ☐ SIGNATURE: DATE:

#1819-01-515-P014-001



MOTOROLA

Authorized Radio System
Specialist

PHARR-CITY OF-
FIRE DEPT
118 S CAGE BLVD
PHARR, TX 78577

DATE: 02/26/2019
QUOTE #: 19-100116 - 1
BY: 357
ATTN: CHIEF LEONARDO PEREZ
PHONE: 956-402-4400
FAX: 956-
EMAIL: LENNY.PEREZ@FD.PHARR-TX.GOV
USER CONTACT JASON FERNANDEZ
CONTACT #: 956-402-4900

HGAC CONTRACT # RA05-18

FIRE DEPT.

ASTRO® Digital APX 6000™ Portable Series



FEATURES AND BENEFITS:

Available in 700/800 MHz, VHF, UHF R1, and UHF R2 bands Trunking standards supported: Clear or digital encrypted ASTRO®25 Trunked Operation Capable of SmartZone®, SmartZone Omnilink, SmartNet® Analog MDC-1200 and Digital APCO P25 Conventional System Configurations Narrow and wide bandwidth digital receiver (6.25 kHz equivalent/25/20/12.5 KHz) Embedded digital signaling (ASTRO & ASTRO 25) Available in 3 models ASTRO 25 Integrated Voice & Data Software Key Intelligent Lighting Radio Profiles Unified Call List (Models 2.5 and 3.5 only) User programmable voice announcement Meets Applicable MIL-STD-810C, D, E, F and G IP67 standard (submersible 1 meter, 30 minutes)** Yellow and green colored housing options Custom recess label areas

Superior Audio Features: 0.5 W high audio speaker Dual microphones 2-mic noise canceling technology Utilizes Windows XP, Vista and Windows 7 and 8 Customer Programming Software (CPS)**** Supports USB communications Built in FLASHport™ support Full portfolio of accessories including IMPRES batteries, chargers and audio devices Mission Critical Wireless Bluetooth***

OPTIONAL FEATURES:

Enhanced Encryption capability Programming Over Project 25 Over the Air Rekey Text Messaging Man Down Rugged

IT E	APC	QTY.	MODEL	DESCRIPTION	HGAC UNIT	HGAC EXTENDED
ASTRO® DIGITAL APX 6000™ PORTABLE SERIES						
MODELS						
481	12	H98UCF9PW6 N	APX6000 700/800 MODEL 2.5 PORTABLE		\$ 2,208.98	\$ 26,507.76
481	12	Q806	ADD: ASTRO DIGITAL CAI OPERATION		\$ 375.95	\$ 4,511.40
481	12	H38	ADD: SMARTZONE OPERATION		\$ 876.00	\$ 10,512.00
481	12	Q361	ADD: P25 9600 BAUD TRUNKING		\$ 219.00	\$ 2,628.00
655	12	QA01648	ADD: ADVANCED SYSTEM KEY - HARDWARE KEY		\$ 3.65	\$ 43.80
562	12	QA05570	ALT: LI-ION IMPRES IP67 3400 MAH (PMNN4486)		\$ 73.00	\$ 876.00
481	12	QA00779	ALT: BASIC CARRY HOLDER (PMLN5709)		\$ 21.17	\$ 254.04
185	12	Q58AL	ADD: 3Y ESSENTIAL SERVICE		\$ 110.00	\$ 1,320.00
481	12	H842	ADD: SINGLE UNIT PACKAGING		\$ -	\$ -
ACCESSORIES						
453	12	PMNN4486	BATT IMPRES 2 LIION R IP68 3400T		\$ 106.50	\$ 1,278.00
785	12	NNTN8860A	CHARGER, SINGLE-UNIT, IMPRES 2, 3A, 115VAC, US/NA		\$ 112.50	\$ 1,350.00
271	12	PMLN7904	APX6000 CC 2.75 SWLBL 2900&2150MAH		\$ 52.20	\$ 626.34
372	12	PMMN4069A	IMPRES RSM, 3.5MM AUDIO JACK		\$ 96.80	\$ 1,161.60
742	12	RLN4941	REC ONLY EARPIECE W/TRANSLUCET TUBE		\$ 51.88	\$ 622.56

	EQUIPMENT		\$ 51,691.50
0	SVC03SVC0115D SERVICES - TEMPLATE # 1	\$ 100.00	\$ -
0	SVC03SVC0115D SERVICES - PROGRAMMING	\$ 100.00	\$ -
0	SVC03SVC0123D SERVICES - OTHER SERVICES	\$ -	\$ -
			<u><u> </u></u>
	TOTAL SERVICES WITH EQUIPMENT		\$ 51,691.50
	ESTIMATED HGAC HANDLING FEE - 1.5% - INCLUDED		<u><u>\$ -</u></u>
	GRAND TOTAL		\$ 51,691.50

NOTE:

- 1 TERMS AND CONDITIONS SUBJECT TO HGAC AGREEMENTS
- 2 OFFER GOOD THROUGH
- 3 **THIS OFFER IS FOR BUDGETARY PURPOSES ONLY AND IS NOT AN OFFER FOR SALE.**

2/26/2019

QUOTE TERMS AND CONDITIONS :

- 1 QUOTES ARE EXCLUSIVE OF ALL INSTALLATION AND PROGRAMMING CHARGES (UNLESS EXPRESSLY STATED) AND ALL APPLICABLE TAXES.
- 2 PURCHASER WILL BE RESPONSIBLE FOR SHIPPING COSTS, WHICH WILL BE ADDED TO THE INVOICE.
- 3 TITLE WILL PASS UPON SHIPMENT, RISK OF LOSS WILL PASS UPON DELIVERY TO PURCHASER'S FACILITY.
- 4 ORDERED EQUIPMENT MAY BE RETURNED FOR A FULL REFUND, LESS A 20% RESTOCKING FEE, IF THE EQUIPMENT IS RETURNED UNUSED AND UNDAMAGED IN ITS ORIGINAL PACKAGING WITH IN SIX MONTHS AFTER SHIPMENT.
- 5 PRICES QUOTED ARE VALID FOR THIRTY (30) DAYS FROM THE DATE OF THIS QUOTE.
- 6 UNLESS OTHERWISE STATED, PAYMENT WILL BE DUE WITHIN THIRTY DAYS AFTER INVOICE.
- 7 MOTOROLA'S STANDARD EQUIPMENT WARRANTY (WHICH WILL BE FURNISHED UPON REQUEST) APPLIES TO ALL ORDERED EQUIPMENT.
- 8 MOTOROLA DISCLAIMS ALL OTHER WARRANTIES WITH RESPECT TO THE ORDERED PRODUCTS, EXPRESS OR IMPLIED INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 9 MOTOROLA'S TOTAL LIABILITY ARISING FROM THE ORDERED PRODUCTS WILL BE LIMITED TO THE PURCHASE PRICE OF THE PRODUCTS WITH RESPECT TO WHICH LOSSES OR DAMAGES ARE CLAIMED. IN NO EVENT WILL MOTOROLA BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.
- 11 THESE TERMS WILL PREVAIL OVER ANY INCONSISTENT OR ADDITIONAL TERMS ON ANY PURCHASE ORDER SUBMITTED BY THE PURCHASER.

PROPOSED BY _____

PRINTED NAME _____

TITLE: _____

DATE: ____/____/____

BEFORE SIGNING, PLEASE READ THIS PROPOSAL CAREFULLY. YOUR SIGNATURE IS AN OFFER TO PURCHASE THE PRODUCTS AND SERVICES LISTED ABOVE, WHICH IF ACCEPTED BY MOTOROLA, WILL BE A PURCHASE CONTRACT.

CUSTOMER ACCEPTANCE: _____

PRINTED NAME _____

TITLE: _____

PURCHASE ORDER # _____

DATE: ____/____/____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 8.B.

DATE SUBMITTED: March 5, 2019

MEETING DATE: March 18, 2019

FROM: Leonardo Perez, Fire Chief

DEPARTMENT: Fire

DIRECTOR: Leonardo Perez

Agenda Item: Consideration and action, if any, authorizing the purchase of Sixteen (16) P-25 Harris radios from Dailey-Wells Communications through H-GAC Contract # RA05-18A (Project # 1819-01-515-1013-002).

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Current radios are over ten (10) years old and are in need of replacement due to age and new technology. These radios are P-25 compliant which will allow for all of our personnel to have communication devices in emergency situations.

Financial Consideration: This a budgeted item for this fiscal year 2018-1019. This will address the replacement of most of the units within the department. Account #01-51500-8804.

Budget	\$125,000.00
Expense	\$ 52,288.16
Balance	\$ 72,711.84

Staff Recommendation: Staff recommends award of purchase contract for the Purchase of Sixteen (16) Harris Radios utilizing the H-GAC contract with XXXX for a total cost of \$52,288.16.

Alternatives:

ROUTING:

Leonardo Perez
Leonardo Perez
Patricia Rigney

Created/Initiated - 3/5/2019
Approved - 3/5/2019
Approved - 3/8/2019

Jose Pena
Sandra Zamora
Karla Moya
City Management Office

Approved - 3/12/2019
Approved - 3/14/2019
Approved - 3/14/2019
Final Approval - 3/15/2019

DAILEY-WELLS COMMUNICATIONS

3440 E. Houston St., San Antonio, TX 78219



To: Jason Fernandez
For: City of Pharr
Phone: 956-402-4900
Date: February 11, 2019
Email: jason.fernandez@pharr-tx.gov
HGAC RA05-18A

From: Edward Martinez
Major Accounts Representative
Dailey-Wells Communications
361-548-5660 Cell
210.893.6702 Fax
emartinez@dwcomm.com

XL-185P PORTABLE, PARTIAL KEYPAD, 700/800

Item	Part #	Description	Qty.	Unit List	Disc. %	Unit Sale	Ext Sale
1	XS-PPS1Y	PORTABLE, XL-185P, 7/800 MHZ, PKP, YEL, US	16	\$ 2,050.00	26%	\$ 1,517.00	\$ 24,272.00
2	XS-PL4L	FEATURE, SINGLE BAND, 7/800	16	\$ 0.01	0%	\$ 0.01	\$ 0.16
3	XS-PKGPT	FEATURE PACKAGE, P25 TRUNKING	16	\$ 1,500.00	26%	\$ 1,110.00	\$ 17,760.00
4	XS-NC8D	ANTENNA, WHIP, 1/2 WAVE, 762-870 MHZ	16	\$ 35.00	26%	\$ 25.90	\$ 414.40
5	XS-PA3V	BATTERY, LI-ION, 3100 MAH	32	\$ 150.00	26%	\$ 111.00	\$ 3,552.00
6	XS-CH4X	CHARGER, 1-BAY, XL-185P	16	\$ 150.00	26%	\$ 111.00	\$ 1,776.00
7	XS-AE4B	SPEAKER MICROPHONE, EMER BUTTON	16	\$ 200.00	26%	\$ 148.00	\$ 2,368.00
8	XS-HC3L	BELT CLIP, METAL	16	\$ 25.00	26%	\$ 18.50	\$ 296.00
9	XS-HC4K	CASE, LEATHER, PREMIUM, BELT LOOP, D-SWIVEL	16	\$ 140.00	26%	\$ 103.60	\$ 1,657.60
		TOTAL FOR RADIO PACKAGE:		\$ 4,250.01		\$ 3,145.01	
10	DWC-Shipping	Shipping / Handling	16	\$ 15.00	0%	\$ 15.00	\$ 240.00
						Extended Total	\$ 52,336.16

Note: Radio Programming is not included in this quote

Bill to: City of Pharr
118 S. Cage
Pharr, TX 78577

Ship To: City of Pharr Radio Services
308 E. Park
Pharr, TX 78577

Terms: Net 30 Days
Shipping: Pre-Pay & add to invoice
Price valid until March 31, 2019

REQUEST FOR AVAILABILITY OF FUNDS

CONSTRUCTION ☐ PURCHASE ☒

PURCHASE & INSTALLATION ☐

DEPARTMENT SUBMITTING REQUEST:

SERVICE ☐ SUPPLY ☐

TYPE/PRINT NAME: Fire / Leonardo Perez

SIGNATURE: Leonardo L. Perez Digitally signed by Leonardo L. Perez
Date: 2019.03.05 08:08:19 -06'00'

TITLE: Fire Chief

DEPARTMENT: Fire Department

DATE: 03/05/2019

PROJECT NAME AND DESCRIPTION (indicate special funding requirements):

Purchase 16 Harris single band radios to replace old obsolete ones.

This is a HGAC Contract # RA05-15 18A

STATE/FEDERAL FUNDING (SPECIFY AGENCY(IES)): _____

STATE/FEDERAL GRANTS (SPECIFY AGENCY(IES)): _____

ACCOUNT NUMBER/PROJECT ID: 51500-8804 ESTIMATED COST: 52,288.16

ACCOUNT NUMBER/PROJECT ID: _____ ESTIMATED COST: _____

BUDGET INFORMATION:

BUDGETED ☒ NOT BUDGETED ☐

FUND NAME: Capital Expenditures-Other Equipment

ACCOUNT NUMBER(S): 51500-8804

INCLUDE PROJ.ID(S): _____

AMOUNT: \$ 125,000.00

SIGNATURE: _____

TITLE: Karla Moya, Finance Director

DATE: _____

CITY MANAGER'S AUTHORIZATION TO SOLICIT BIDS:

APPROVED: ☐ SIGNATURE: _____

DATE: _____

DISAPPROVED: ☐ SIGNATURE: _____

DATE: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 8.C.

DATE SUBMITTED: March 14, 2019

MEETING DATE: March 18, 2019

FROM: Jose Luengo, Police Chief

DEPARTMENT: Police

DIRECTOR: Jose Luengo

Agenda Item: Consideration and action, if any, authorizing the purchase of Ten (10) Panasonic Mobile Data Terminals (MDT) for Pharr Police Department utilizing co-op DIR-TSO-4025 contract.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue:

Who: Pharr Police Department and Office of The Governor

What: Purchase ten (10) mobile data terminals.

When: March 18, 2019

Where: Pharr, TX

Why: Funding was provided via Office of the Governor Justice Assistance Grant # 3559701 by the Office of the Governor. The equipment is utilized to dispatch officers to call.

Financial Consideration: The Pharr Police Department is in the process of purchasing ten (10) mobile data terminals (MDT) for Uniformed Services Division. To offset some of the costs, the PD applied for a grant # 3558701 which was recently activated and approved. As it stands, the grant will provide \$44,950.00 which will leave a remaining balance of \$5,829.00 as highlighted in the attached quote from Turn Key Mobile. The plan to cover the remaining balance is to move money from a PD account.

Cost	\$50,779.00
Grant	<u>\$44,950.00</u>
Balance	\$ 5,829.00 (To be paid by Pharr PD)

Staff Recommendation: Staff recommends award of Purchase Contract, through the

DIR, to Turn-Key Mobile, Inc. from Jefferson City, MO in the amount of \$50,779.00.

Alternatives: N/A

ROUTING:

Jose Luengo	Created/Initiated - 3/14/2019
Sandra Zamora	Approved - 3/14/2019
Raul Garza	Approved - 3/15/2019
Karla Moya	Approved - 3/15/2019
City Management Office	Final Approval - 3/15/2019



Turn-Key Mobile, Inc.

210 Prodo Drive
Jefferson City, MO 65109

573-893-9888 Office 314-754-9794 Fax

Proposal

Date	Proposal #
1/25/2019	22757

Name / Address
Pharr Police Department Oscar Luengo 1900 S. Cage Blvd Pharr, TX 78577

Sales Rep	Prepared By	PO #	Accepted By
MRL	Terry		

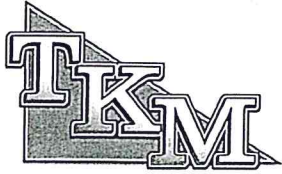
Item	Description	Qty	Rate	Total
CF-33LE-02VM	Panasonic Public Sector Specific, Win10 Pro, Intel Core i5-7300U 2.60GHz, vPro, 12.0" QHD Gloved Multi Touch+Digitizer, 8GB, 256GB SSD, Intel WiFi a/b/g/n/ac, TPM 2.0, Bluetooth, Dual Pass (Upper:WWAN/Lower:dGPS), 4G LTE Multi Carrier (EM7455), dGPS, Infrared Webcam, 8MP Cam, Contactless SmartCard, Toughbook Preferred, 3 Year ProService Premier Deployment Service, TabletPC ProPlus Warranty, 256 SSD no return service, and Custom BIOS.	10	2,848.00	28,480.00
CF-SVCADDSPE5Y	Panasonic 60MO ABSOLUTE DDS PREM FOR ACAD/STATE/LOCAL GOVT FOR N AMERICA	10	0.00	0.00
CF-SVCPSY5	Panasonic Service Bundle 4th and 5th years Public Safety Service Bundle Add on (Year 4 & 5 only). Must be purchased in conjunction with PS bundle base unit. Includes Premier, Protection Plus, Customer Portal, Disk Image Management, HDD No Return	10	584.00	5,840.00
CF-LNDDC120	Panasonic Lind 120 Watt 12-32 Volt Input Car Charger for CF-30, CF-31, CF-33, 4K Mk1, Mk2 (UT-M/FZ-Y1), CF-53 Mk4, CF-54, CF-SX2, CF-F9, CF-19, CF-20, CF-C2, CF-H2, CF-U1, FZ-G1	10	125.00	1,250.00
GJ-33-LVD2	Panasonic Gamber-Johnson laptop vehicle dock (dual pass) for the Panasonic CF-33. USB 2.0(4), USB 3.0(2), Serial, Ethernet (2), HDMI, VGA, Docking Connector, Dual RF, Power, Release Lever, Lock. Features two front USB ports for easy access. Requires Premium Keyboard. NO power adapter included.	10	885.00	8,850.00
7110-1214	Gamber Johnson Panasonic Toughbook 33 Screen Support	10	0.00	0.00
CF-VEK331LMP	Panasonic Premium Keyboard for CF-33. Emissive Red Backlit (4 levels). Handle/kickstand - display can be opened to any angle. Compatible with Tablet, 33 Laptop Vehicle Dock, and 33 Desktop Dock. Ethernet, SDXC (full-size), HDMI, VGA, USB 2.0, USB 3.0 (2), Serial	10	595.00	5,950.00
CF-VEB331U	Panasonic Desktop Port Replicator for CF-33 (requires Premium Keyboard) No Power Included	1	335.00	335.00

Proposals are good for 30 days. Please ask your rep for updated pricing and availability.

Total

Shipping is included.

Signature



Turn-Key Mobile, Inc.

210 Prodo Drive
Jefferson City, MO 65109

573-893-9888 Office 314-754-9794 Fax

Proposal

Date	Proposal #
1/25/2019	22757

Name / Address
Pharr Police Department Oscar Luengo 1900 S. Cage Blvd Pharr, TX 78577

Sales Rep	Prepared By	PO #	Accepted By
MRL	Terry		

Item	Description	Qty	Rate	Total
CF-AA5713AM	Panasonic AC Adapter (100W) for CF-33 Mk1, CF-31 Mk1, Mk2, Mk3, Mk4, Mk5, CF-52 Mk3, Mk4, Mk5, CF-53 Mk1, Mk2, Mk3, Mk4, CF-54 Mk1, Mk2, Mk3, CF-19 Mk5, Mk6, Mk7, Mk8, CF-20 (461F) Mk1, Mk2, FZ-G1 (461F) Mk1, Mk2, Mk3, Mk4, 4K Mk1, Mk2 (UT-M/FZ-Y1), CF-D1 Mk1, Mk2	1	74.00	74.00
Contract-Texas DIR	Texas DIR Contract # DIR-TSO-4025			0.00

Proposals are good for 30 days. Please ask your rep for updated pricing and availability.

Total

\$50,779.00

Shipping is included.

Signature _____

RESOLUTION NO. R-2018- 18

OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION
(DJ17-PY 19 JUSTICE ASSISTANCE GRANT PROGRAM)

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the Mobile Data Terminal (MDT) Technology Project be operated for the 10/01/2018 thru 09/30/2019; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Criminal Justice Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Criminal Justice Division funds, The City of Pharr City Commission assures that the funds will be returned to the Criminal Justice Division in full.

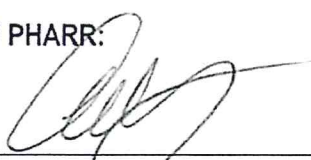
WHEREAS, The City of Pharr City Commission designates Chief of Police as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Pharr City Commission approves submission of the grant application for the Mobile Data Terminal (MDT) Technology Project to the Office of the Governor, Criminal Justice Division.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR TEXAS, THIS 19TH DAY OF FEBRUARY, 2018.

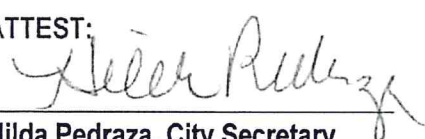
Grant Number: 3558701

CITY OF PHARR:



Ambrosio Hernandez, Mayor

ATTEST:



Hilda Pedraza, City Secretary

Certification

The State of Texas

County of Hidalgo

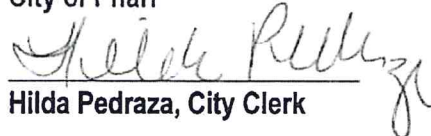
City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the 19TH day of FEBRUARY, 2018, ad.

(Resolution no. R-2018-18)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the 19TH day of FEBRUARY, 2018, ad.

City of Pharr


Hilda Pedraza, City Clerk

4:13 PM

Agency Name: Pharr, City of	Grant/App: 3558701	Start Date: 10/1/2018	
Project Title: MDT Technology Project	Status: Pending OOG Review	End Date: 9/30/2019	Fund Source: DJ-Edward Byrne Memorial Justice Assistance Grant Program
Current Grant Manager: Jim Hershey	Current Program Manager: Margie Fernandez-Prew	Liquidation Date:	
	Original Award: \$0.00		
Current Budget: \$44,950.00	Current Award: \$0.00	CFDA: 16.738	OOG Solicitation: DJ16-PY18/19 Justice Assistance Grant Program - local pass-through (announcement)

[Eligibility](#)
[Profile](#)
[Narrative](#)
[Activities](#)
[Measures](#)
[Budget](#)
[Documents](#)
[Conditions.of.Funding](#)
[Summary](#)
[Upload.Files](#)
[My.Mail](#)
[My.Home](#)

[Grant.History](#)
[Award.Preview](#)
[Grant.Issues](#)

General Information and Instructions

Grant Award Documents

[Click to View](#)
[Responsibilities Memo](#)
[Print Statement of Grant Award](#)

Statement of Grant Award (SOGA)

The Statement of Grant Award is the official notice of award from the Office of the Governor (OOG). This Grant Agreement and all terms, conditions, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and all other State of Texas agencies and any other agencies, departments, divisions, governmental entities, public corporations, and other entities which shall be successors to each of the Parties or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of each of the Parties hereto.

The approved project narrative and budget for this award are reflected in eGrants on the 'Narrative' and 'Budget/Details' tabs. By accepting the Grant Award in eGrants, the Grantee agrees to strictly comply with the requirements and obligations of this Grant Agreement including any and all applicable federal and state statutes, regulations, policies, guidelines and requirements. In instances where conflicting requirements apply to a Grantee, the more restrictive requirement applies.

The Grant Agreement includes the Statement of Grant Award; the OOG Grantee Conditions and Responsibilities; the Grant Application in eGrants; and the other identified documents in the Grant Application and Grant Award, including but not limited to: 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Chapter 783 of the Texas Government Code, Title 34, Part 1, Chapter 20, Subchapter E, Division 4 of the Texas Administrative Code, and the Uniform Grant Management Standards (UGMS) developed by the Comptroller of Public Accounts; the state Funding Announcement or Solicitation under which the grant application was made, and for federal funding, the Funding Announcement or Solicitation under which the OOG was awarded funds; and any applicable documents referenced in the documents listed above. For grants awarded from the U.S. Department of Justice, the current applicable version of the Department of Justice Grants Financial Guide and any applicable provisions in Title 28 of the CFR apply. For grants awarded from the Federal Emergency Management Agency (FEMA), all Information Bulletins and Policies published by the FEMA Grants Program Directorate apply. The OOG reserves the right to add additional responsibilities and requirements, with or without advance notice to the Grantee.

By clicking on the 'Accept' button within the 'Accept Award' tab, the Grantee accepts the responsibility for the grant project, agrees and certifies compliance with the requirements outlined in the Grant Agreement, including all provisions incorporated herein, and agrees with the following conditions of grant funding. The grantee's funds will not be released until the grantee has satisfied the requirements of the following Condition(s) of Funding and Other Fund-Specific Requirement(s), if any, cited below:

Grant Number:	3558701	Award Amount:	\$44,950.00
Date Awarded:	PREVIEW - AWARD NOT ACTIVE	Grantee Cash Match:	\$0.00
Grant Period:	10/01/2018 - 09/30/2019	Grantee In Kind Match:	\$0.00
Liquidation Date:	12/29/2019	Total Project Cost:	\$44,950.00
Program Fund:	DJ-Edward Byrne Memorial Justice Assistance Grant Program		
Grantee Name:	Pharr, City of		
Project Title:	MDT Technology Project		
Grant Manager:	Jim Hershey		
DUNS Number:	147286095		

CFDA:	16.738 - Edward Byrne Memorial Justice Assistance Grant Program
Federal Awarding Agency:	U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance
Federal Award Date:	8/29/2016
Federal/State Award ID Number:	2016-DJ-BX-0161
Total Federal Award/State Funds Appropriated:	\$13,376,852.00
Pass Thru Entity Name:	Texas Office of the Governor - Criminal Justice Division (CJD)
Is the Award R&D:	No

Federal/State Award Description:

The purpose of this program is to reduce crime and improve the criminal justice system.

List of Post-Award Conditions of Funding and Other Fund-Specific Requirements

Condition of Funding / Project Requirement	Date Created	Date Met	Hold Project Funds	Hold Line Item Funds
Resolution: Applications from nonprofit corporations, local units of governments, and other political subdivisions must submit a resolution electronically using the 'Upload' function in the eGrants system. The <u>resolution</u> must contain the following: • Authorization by your governing body for the submission of the application to OOG that clearly identifies the name of the project for which funding is requested; • A commitment to provide all applicable matching funds; • A designation of the name and/or title of an authorized official who is given the authority to apply for, accept, reject, alter, or terminate a grant (Note: If a name is provided, you must update OOG should the official change during the grant period.); and • A written assurance that, in the event of loss or misuse of grant funds, the governing body will return all funds to OOG.	7/10/2018	7/27/2018	☐	☐

REQUEST FOR AVAILABILITY OF FUNDS

CONSTRUCTION ☐ PURCHASE ☒

PURCHASE & INSTALLATION ☐

DEPARTMENT SUBMITTING REQUEST:

SERVICE ☐ SUPPLY ☐

TYPE/PRINT NAME: Jose A. Luengo

SIGNATURE: _____

TITLE: Chief of Police

DEPARTMENT: Pharr Police Department

DATE: 03/13/2019

PROJECT NAME AND DESCRIPTION (indicate special funding requirements):

The Pharr Police Department will be purchasing 10 mobile data terminals (MDT) to be used by Uniformed Services Division.

STATE/FEDERAL FUNDING (SPECIFY AGENCY(IES)): Office of The Governor Justice Assistance Grant Program

STATE/FEDERAL GRANTS (SPECIFY AGENCY(IES)): _____

ACCOUNT NUMBER/PROJECT ID: Grant Number # 3558701 ESTIMATED COST: \$ 44,950

ACCOUNT NUMBER/PROJECT ID: _____ ESTIMATED COST: _____

BUDGET INFORMATION:

BUDGETED ☐ NOT BUDGETED ☐

FUND NAME: _____

ACCOUNT NUMBER(S): _____

INCLUDE PROJ.ID(S): _____

AMOUNT: _____

SIGNATURE: _____

TITLE: Karla Moya, Finance Director

DATE: _____

CITY MANAGER'S AUTHORIZATION TO SOLICIT BIDS:

APPROVED: ☐ SIGNATURE: _____

DATE: _____

DISAPPROVED: ☐ SIGNATURE: _____

DATE: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.A.

DATE SUBMITTED: March 8, 2019

MEETING DATE: March 18, 2019

FROM: Daniel Ramirez, Communications
Director/Deputy EMC

DEPARTMENT: Communications

DIRECTOR:

Agenda Item: Consideration and action, if any, authorizing City Manager to terminate Interlocal Agreement with City of McAllen as host for radio antennas (Project #1819-01-525-IPQ041-001).

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: We currently have an ILA with the City of McAllen (RGV Communications Group) to host 3 antennas at the bluebonnet tower. We are at the point where we need those 3 spaces for our equipment. The City of McAllen (RGV Communications Group) will now obtain an ILA with the tower owner directly.

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Daniel Ramirez

Created/Initiated - 3/8/2019

Daniel Ramirez

Approved - 3/8/2019

Patricia Rigney

Approved - 3/11/2019

Jose Pena

Approved - 3/12/2019

Sandra Zamora

Approved - 3/13/2019

City Management Office

Final Approval - 3/14/2019

INTERLOCAL AGREEMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This Agreement made and entered into by and between the **CITY OF PHARR**, a home rule city (hereinafter sometimes referred to the "Pharr") and the **CITY OF McALLEN**, a home rule city (hereinafter sometimes referred to as "McAllen"), both situated in Hidalgo County, Texas.

The initial addresses of the parties, which one party may change by giving written notice of its changed address to the other party, are as follows:

City of McAllen
Mike R. Perez
City Manager
PO Box 220
McAllen, Texas 78501

City of Pharr
Fred Sandoval
City Manager
118 South Cage
Pharr, Texas 78577

WITNESSETH:

WHEREAS, the City of McAllen is the project agent for the Border Interoperability Demonstration Project (BIDP) and maintains a multi-site 800 megahertz trunked radio system and is duly licensed by the Federal Communications Commission (hereinafter referred to as "FCC") for the operation of same; and

WHEREAS, City of McAllen desires to utilize the City of Pharr's radio tower for government functions, and

WHEREAS, City of Pharr is able to accommodate additional radio equipment to be installed as part of the BIDP at the radio tower site and is willing to cooperate with City of McAllen to affect usage of the system for said purposes; and

WHEREAS, the City of Pharr is hereby furnishing a service related to homeland security activity under this interlocal agreement and as the furnishing local agency is not responsible for any civil liability that arises from the furnishing of the services under this contract; and

WHEREAS, the City of Pharr and City of McAllen are authorized to enter into an agreement for the provision of such services pursuant to the provisions of Interlocal Cooperation Act, Texas Government code Ann. § 791.001, et seq.

NOW, THEREFORE, the City of Pharr and City of McAllen hereby agree to the terms and conditions of this Contract. This Contract consists of the following sections:

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I. DUTIES OF CITY OF PHARR.....	4
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Independent Contractor.....	5
Force Majeure.....	5
Entire Agreement.....	5
Applicable Laws.....	6
Enforcement	6
Assignment.....	6
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All of the above described sections and documents are hereby incorporated into this Agreement by this reference for all purposes.

IN WITNESS HEREOF, CITY OF PHARR and CITY OF McALLEN have made and executed this contract in multiple copies, each of which is an original.



Attest:

Annette Villarreal
Annette Villarreal, City Secretary

Approved as to form:

Kevin Pagan
Kevin Pagan, City Attorney

CITY OF McALLEN

Richard Cortez
Richard Cortez, Mayor Date

CITY OF PHARR

Leopoldo "Polo" Palacios, Jr.
Leopoldo "Polo" Palacios, Jr., Mayor Date

Attest:

Hilda Pedraza
Hilda Pedraza, City Clerk

I. DUTIES OF CITY OF PHARR

In General

During the Contract Term, City of Pharr shall provide tower space for the Border Interoperability Demonstration Project at no charge. The tower space will accommodate antenna, cables, equipment racks and any related appurtenances. The equipment racks and related appurtenances shall be installed in a weather proof enclosure that is climate controlled and has back-up generator power.

Access To Site

During the Contract Term, City of Pharr shall provide access to the tower site by City of McAllen technical staff; for the purpose of accessing equipment as referenced in this contract. The City of Pharr shall allow unescorted access to City of McAllen technical staff.

II. DUTIES OF CITY OF McALLEN

Installation and Maintenance of Equipment

It is understood that City of McAllen must procure the equipment that is to be installed in the tower space that is provided by City of Pharr. The City of McAllen is also responsible for the maintenance of any equipment installed as part of this agreement.

Payment of Tower Space

It is understood that the City of Pharr is providing tower space and support for the Border Interoperability Demonstration Project at no charge therefore the payment for tower space is \$0.00 per year.

Access To Site

During the Contract Term, City of McAllen technical staff shall have unescorted access to their equipment and shall not allow unescorted access to any party other than City of McAllen technical staff. Unescorted access outside of this contract requires written authorization from City of Pharr (Radio Manager / I.T. Director).

III. TERM AND TERMINATION

The initial Contract Term will be to September 31, 2012. The first full Contract Term shall be one (1) year from the date October 1, 2012. This Contract will automatically renew for as many as nine (9) additional one-year terms, unless it is terminated by either party giving the other party prior written notice of its intention to terminate. Said notice of termination shall be given to the other party not less than thirty (30) days prior to the expiration of the Contract Term. Notwithstanding the preceding provisions, the Contract Term will end:

- Upon either party giving the other party thirty (30) days prior written notice of its intent to terminate.

IV. MISCELLANEOUS

Release

TO THE EXTENT PERMITTED BY THE TEXAS CONSTITUTION AND TEXAS STATE LAW, CITY OF McALLEN, ITS PREDECESSORS, SUCCESSORS, AND ASSIGNS HEREBY RELEASE, RELINQUISH, AND DISCHARGE THE CITY OF PHARR, ITS PREDECESSORS, ASSIGNS, LEGAL REPRESENTATIVES, AND ITS FORMER, PRESENT AND FUTURE AGENTS, EMPLOYEES, DIRECTORS AND OFFICERS FROM ANY LIABILITY ARISING OUT OF THE SOLE AND/OR CONCURRENT NEGLIGENCE OF RGVCG FOR ANY INJURY, INCLUDING DEATH OR DAMAGE TO PERSONS OR TO PROPERTY WHERE SUCH DAMAGE IS SUSTAINED IN CONNECTION WITH OR ARISING OUT OF THE WORK PERFORMED UNDER THIS CONTRACT.

Force Majeure

"Force Majeure" includes, but is not limited to, acts of God, acts of the public enemy, war, blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, tornadoes, hurricanes, arrests and restraints of government and people, explosions, and any other incapacities of either party to carry out its obligations under this Contract, except strikes or labor disputes and breakage or damage to machinery or equipment, whether similar to those enumerated or otherwise, and not within the control of the party claiming such inability, and which by the exercise of due diligence and care such party could not have avoided.

In the event either party is rendered unable, wholly or in part, by Force Majeure, to carry out any of its obligations under this Contract, it is agreed that, upon such party's giving notice and full particulars of such Force Majeure in writing or by telegraph or telefax to the other party within five (5) business days after the occurrence of the cause relied upon, then the obligations of the party

giving such notice, to the extent it is affected by Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused as to the extent provided, but for no longer period. Such cause shall as far as possible be remedied with all reasonable dispatch.

Entire Agreement

This Contract merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (expressed or implied) or other terms with respect to the Project, whether written or verbal, antecedent or contemporaneous, with the execution hereof.

Applicable Laws

This Contract is subject to all laws of the State of Texas, the charter and ordinances of both Cities, the laws of the federal government of the United States of America, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Contract shall be Hidalgo County, Texas.

Enforcement

The Pharr City Manager or his or her designee shall have the right to enforce all legal rights and obligations under this Contract without further authorization.

Assignment

City of McAllen shall not assign this Contract at law or otherwise without the prior written consent of the City of Pharr.

Parties in Interest

This Contract shall not bestow any rights upon any third party, but rather shall bind and benefit the City of Pharr and City of McAllen only.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.B.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on award of contract for Project 1 on the HVAC Replacement Project (Project No. 1819-01-522-C008-294)

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: On March 7, 2019, formal bids were opened, with four (4) respondents to the solicitation. The bids received ranged from \$498,950 to \$647,738. (Total amount bid for project 1, 1A, 2, & 2A)

Financial Consideration: Account No. 01-52200-8805

Budget Amount \$250,000

Current Budget can only fund Project 1-Police Department in the amount of \$208,950

Staff Recommendation: Staff recommends award of contract for the HVAC Replacement (Project #1819-01-522-C008-297) to the lowest responsive and responsible bidder, JC Air, LLC. from Edinburg, TX, for Project 1 - Police Department HVAC Unit Replacement, in the amount of \$208,950.00. Recommend rejection of Project 1A, 2, and 2A.

Alternatives: N/A

ROUTING:

Omar Anzaldua

Created/Initiated - 3/11/2019

Omar Anzaldua

Approved - 3/11/2019

Patricia Rigney

Approved - 3/11/2019

Sandra Zamora

Approved - 3/14/2019

Karla Moya
City Management Office

Approved - 3/15/2019
Final Approval - 3/15/2019



CITY OF PHARR

BID OPENING: MARCH 7, 2019 AT 4:00 P.M.

LOCATION: City Commission Room



PROJECT #1819-01-522-C008-297 HVAC REPLACEMENT (PD & LIBRARY)

BIDDERS			JC AIR LLC ★ EDINBURG, TX	NM CONTRACTING, LLC McALLEN, TX	CENTRAL AIR & HEATING SERVICES INC HARLINGEN, TX	D & F INDUSTRIES, INC. PHARR, TX
MANUFACTURER - CONDENSING UNIT, HEATING & COOLING UNITS, & FAN COIL			TRANE	TRANE	TRANE	TRANE
DESCRIPTION	QTY		TOTAL AMOUNT BID	TOTAL AMOUNT BID	TOTAL AMOUNT BID	TOTAL AMOUNT BID
PROJECT 1 - Police Department HVAC Unit Replacement	LS	1	★ \$208,950.00	\$222,140.00	\$630,000.00	\$280,922.00
PROJECT 1A - Police Department Building Automation System	LS	1	RECC. REJECTION \$90,000.00	\$106,960.00	\$0.00	\$95,500.00
PROJECT 2 - Memorial Library HVAC Unit Replacement	LS	1	RECC. REJECTION \$160,000.00	\$211,142.00	\$0.00	\$233,316.00
PROJECT 2A - Memorial Library Building Automation System	LS	1	RECC. REJECTION \$40,000.00	\$40,320.00	\$0.00	\$38,000.00
TOTAL AMOUNT BID PROJECT 1, 1A, 2, & 2A			\$498,950.00	\$580,562.00	\$630,000.00	\$647,738.00
TOTAL AMOUNT RECOMMENDED FOR AWARD (PROJECT 1 POLICE DEPARTMENT HVAC UNIT REPLACEMENT ONLY)			★ \$208,950.00			
QUALIFICATIONS			PARTIALLY	SUBMITTED	SUBMITTED	SUBMITTED
BID BOND			BB	BB	BB	BB
HARDCOPY OF BID SUBMITTED			SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED
ELECTRONIC BID SUBMITTED			SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED
DEBARMENT VERIFICATION (STATE AND FEDERAL)			CONFIRMED	CONFIRMED	CONFIRMED	CONFIRMED



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.C.

DATE SUBMITTED: March 13, 2019

MEETING DATE: March 18, 2019

FROM: Sonia Barajas, CDBG Secretary

DEPARTMENT: GMCD

DIRECTOR:

Agenda Item: Consideration and action, if any, on award of service contract for the HUD CDBG Five (5) Year Consolidated Plan of Goals for Housing and Community Development. (Project #1819-30-526-S023-245)

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The City of Pharr (CDBG) is required to develop and submit a five (5) year Consolidated plan and strategy. The plan will provide the basis for the City's projected use of the entitlement monies within the community. The GMCD Department will require the assistance of a consultant in order to complete the plan. Consultants are standard for entitlement Cities with regard to the Con Plan.

Financial Consideration: The cost of the consulting services is \$24,996.00.

Staff Recommendation: Staff recommends award of service contract to the highest ranked firm Cloudburst Consulting Group Inc., from Landover, MD, for a contract amount of \$24,996.00.

Alternatives:

ROUTING:

Sonia Barajas

Created/Initiated - 3/13/2019

Raul Garza

Approved - 3/13/2019

Patricia Rigney

Approved - 3/13/2019

Sandra Zamora

Approved - 3/14/2019

Karla Moya

Approved - 3/15/2019

City Management Office

Final Approval - 3/15/2019



Pharr



CITY OF PHARR

RFP - 5-YEAR CONSOLIDATED PLAN OF GOALS AND STRATEGIES HOUSING & COMMUNITY DEVELOPMENT FOR THE CITY OF PHARR

PROPOSAL OPENING: MARCH 7, 2019 AT 3:00 P.M.

LOCATION: CITY COMMISSION

★RECOMMEND AWARD OF CONTRACT

PROJECT NO.: 1819-30-526-S023-245

RESPONDENTS				★ Cloudburst Consulting Group, Inc. Landover, MD	Hollis Rutledge and Associates Inc. Mission, TX	National Development Council for Community Inc. DBA National Development Council New York, NY	Leadership Resource Group Pharr, TX
Weighted Score				★ 96.60%	81.93%	54.90%	30.20%
Total Points				96.6	81.93	54.9	30.2
RFP - REQUIRED DOCUMENTS - EVALUATION CRITERIA				96.6	81.93	54.9	30.2
#	Criteria	Calculated Points					
A.	FEE	1	30	29.3	24.6	13.3	16.3
B.	EXPERIENCE	2	30	28.3	22	15.6	4.9
C.	EXPERIENCE PROJECT TEAM	3	20	19.33	17	11.67	3.33
D.	REFERENCES	4	10	9.67	8.33	6	1.67
E.	RESPONSE COMPLETENESS	5	5	5	5	4.33	3
F.	SCHEDULE	6	5	5	5	4	1



Pharr



CITY OF PHARR

PROPOSAL OPENING: MARCH 7, 2019 AT 3:00 P.M.

LOCATION: CITY COMMISSION



RECOMMEND AWARD OF CONTRACT

PROJECT NO.: 1819-30-526-S023-245 RFP - 5-YEAR CONSOLIDATED PLAN OF GOALS AND STRATEGIES HOUSING & COMMUNITY DEVELOPMENT FOR THE CITY OF PHARR

BIDDERS:	HOLLIS RUTLEDGE & ASSOCIATES, INC. MISSION, TX	LEADERSHIP RESOURCE GROUP PHARR, TX	★ CLOUDBURST CONSULTING GROUP, INC. LANDOVER, MD	NATIONAL COUNCIL FOR COMMUNITY DEVELOPMENT, INC. (DBA NATIONAL DEVELOPMENT COUNCIL) NEW YORK, NY
PROPOSED FEE	\$20,000.00	\$21,350.00	★ \$24,996.00	\$25,000.00
ADDENDUM #1	ACKNOWLEDGED AND SUBMITTED	ACKNOWLEDGED	ACKNOWLEDGED AND SUBMITTED	ACKNOWLEDGED AND SUBMITTED
HARDCOPY OF PROPOSAL SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED
ELECTRONIC PROPOSAL SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED	SUBMITTED
FEDERAL DEBARMENT VERIFICATION	VERIFIED	VERIFIED	VERIFIED	VERIFIED
STATE DEBARMENT VERIFICATION	VERIFIED	VERIFIED	VERIFIED	VERIFIED



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.D.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR:

Agenda Item: Consideration and action, if any, on ratification of award a contract to Southern Trenchless Solutions LLC through the BuyBoard Contract #555-18 for the City of Pharr- International Bridge Concrete Rehabilitation Phase I & II.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Phase I of the Concrete Bridge Repairs was in the amount of \$45,030.00 (PO #174343) Phase II of the Concrete Bridge Repairs adds an additional \$45,030.00 (PO #174352) for a total project cost of \$90,060.00.

Financial Consideration: Phase I (PO#174343) \$45,030.00

Phase II (PO#174352) \$45,030.00

Total \$90,060.00

Staff Recommendation: Staff recommends ratification of award a service contract to Southern Trenchless Solutions LLC for the City of Pharr International Bridge Concrete Rehabilitation Phase I & II in the amount of \$45,030.00 for each phase for a total project cost of \$90,060.

Alternatives: N/A

ROUTING:

Omar Anzaldua

Created/Initiated - 3/11/2019

Omar Anzaldua

Approved - 3/11/2019

Patricia Rigney

Approved - 3/11/2019

Sandra Zamora

Approved - 3/14/2019

Karla Moya

Approved - 3/15/2019

City Management Office

Final Approval - 3/15/2019



P O Box 8084; Weslaco, TX 78599
1200 W Exp 83, La Feria, TX 78559
Ph# 956-277-0354 Fax# 956-277-0355
Adminstx@southerntrenchless.com

Quote Date: 2/15/2019

Date of Acceptance:

Quote# 9176

2018 Buyboard Invoice

Project: **Pharr International Bridge Concrete Rehabilitation - Phase II**

Buyboard Proposal Code No: 555-18

Line No.	Item No.	Description	QTY	UNIT	Unit Price	Total
1	377	Mobilization	1	EA	\$ 5,500.00	\$ 5,500.00
2	166	Traffic Control - TXDOT	2	DAY	\$ 2,750.00	\$ 5,500.00
3	167	Flagmen	60	HR	\$ 44.00	\$ 2,640.00
4	158	Repair/Rehab 8" Concrete Pavement (1st Lift) Patch A	31	SY	\$ 235.00	\$ 7,285.00
5	158	Repair/Rehab 8" Concrete Pavement (2nd Lift) Patch A	31	SY	\$ 235.00	\$ 7,285.00
6	158	Repair/Rehab 8" Concrete Pavement (1st Lift) Patch B	31	SY	\$ 235.00	\$ 7,285.00
7	158	Repair/Rehab 8" Concrete Pavement (2nd Lift) Patch B	31	SY	\$ 235.00	\$ 7,285.00
8		Misc- Concrete Demolition & Disposal	1	EA	\$ 2,250.00	\$ 2,250.00
Total						\$ 45,030.00

Exclusion:

*** Does not include any type of Permits

Instructions

** Upon Receipt of Signed Proposal & Purchase Order we will begin to execute contract.

Signature: _____

Print Name: _____

Title: _____



We Appreciate Your Business!!!



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.E.

DATE SUBMITTED: March 12, 2019

MEETING DATE: March 18, 2019

FROM: Jose Luengo, Police Chief

DEPARTMENT: Police

DIRECTOR: Jose Luengo

Agenda Item: Consideration and action, if any, Memorandum of Understanding with South Texas College for Police Academy/Basic Peace Officer Certification.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Who: Pharr Police Department and South Texas College

What: Agreement with South Texas Collage to follow the course requirements specified by the Texas Commission on Law Enforcement (TCOLE) and operated under the City of Pharr Police Department academy contract with TCOLE.

Where: Regional Center for Public Excellence Center (RCPSE) Pharr, TX 78577

When: Agreement will be in effective upon the last date of execution hereof by the parties.

Why: The Pharr Police Department and South Texas College have a partnership that will assist the region in providing training and education opportunities in the Basic Peace Officer Certification program.

Financial Consideration: Potential City of Pharr Employees that are sponsored by the city for attendance to academy. The considerations include purchasing of academy uniforms and books.

Staff Recommendation: I recommend approval.

Alternatives: The alternative is not to approve agreement.

ROUTING:

Jose Luengo
Patricia Rigney
City Management Office

Created/Initiated - 3/12/2019
Approved - 3/12/2019
Final Approval - 3/15/2019

Memorandum of Agreement
Between
South Texas College
And
City of Pharr, Texas
City of Pharr Police Department

Police Academy/Basic Peace Officer Certification

I. Background and Purpose of Agreement

This Memorandum of Agreement (the “Agreement”) between South Texas College (“STC”) and the City of Pharr (“City”), through the City’s Police Department (“Pharr PD”), has two primary objectives with respect to the Police Academy/Basic Peace Officer Certification. The first is to establish the responsibilities for each entity in the Basic Peace Officer Certificate Program (the “Program”). The second is to ensure that each entity understands how their respective roles support each other while following the procedures set forth in this agreement.

This agreement will be effective upon the last date of execution hereof by the parties.

The Program will follow the course requirements specified by the Texas Commission on Law Enforcement (TCOLE) and operated under the City of Pharr Police Department academy contract with TCOLE. This agreement does not encompass the continuing education program provided through STC’s Regional Center for Public Safety Excellence (RCPSE) for current law enforcement officers in the Rio Grande Valley.

II. Requirements to Become a Texas Peace Officer

Students in the Program are subject to the following requirements to become a licensed peace officer in the state of Texas:

1. meet the minimum standards for enrollment and initial licensure;
2. successful completion of the basic licensing course;
3. passing of the state licensing examination; and
4. appointment by a law enforcement agency

III. College Academic Credit

Students successfully graduating under the Program will be eligible to receive twenty-four (24) credit hours upon completing six (6) credit hours of College courses in the Law Enforcement Associate of Applied Science program.

IV. Role of South Texas College

1. Designate the program chair to serve as the liaison between STC and the Pharr PD in accordance with the College's Board approved policies and organizational structure.
2. Oversee the implementation of the Program curriculum, based on Texas Commission on Law Enforcement (TCOLE) standards. The design of the curriculum shall take into consideration recommendations provided by the Pharr Police Advisory Committee.
3. Employ TCOLE-qualified instructors who also meet the STC credentialing requirements for the Program through a committee including representatives from Pharr PD.
4. Recruit and pre-screen participants in accordance with TCOLE and Pharr PD requirements.
5. Register students participating in the Program and provide Pharr PD with official Class Rosters.
6. Provide Pharr PD with the final grade, clearance letter, and exams of all students who have consented to release.
7. Provide students with faculty evaluations at the end of each semester and share results with Pharr PD.
8. Oversee the preselection process, student registration, and enrollment in the Program.
9. Coordinate, where applicable, the Financial Aid process for STC.
10. Collect tuition and fees from all students and apply waivers, where appropriate, in accordance to state law for employed candidates.
11. Hire faculty for the Program following the College policy and procedures and include a representative from the Pharr Police Department to serve on STC's search committee.

IV. Role of the City of Pharr Police Department

1. Designate a representative from the Pharr PD to serve as a liaison between Pharr PD and STC.
2. Serve along with STC in an advisory capacity through review of syllabi and instructional materials for all the coursework in the Program, beyond TCOLE requirements.
3. Observe classroom instruction and provide feedback to STC.
4. Address all Texas Commission on Law Enforcement (TCOLE) requirements, including use of Facilities for the police academy.
5. Designate a representative from Pharr PD to serve on STC instructor search committees. Review of and comment on job descriptions and applications for employment of Program instructors.

6. Provide to STC a letter of clearance for each student for the purposes of criminal histories, physical, psychological, urinalysis, and all other tests 30 days before the commencement of a police academy, and be the custodian of those records.
7. At the end of each academy, provide students who have completed the coursework with the endorsement to take the TCOLE peace officer exam, upon receipt and evaluation of student records.
8. Allow use of the Pharr PD target range to provide weapons training to students.
9. Ensure compliance with South Texas College Policy 6326 (Concealed Carry and Weapons on Campus) in requirements of students and personnel when accessing College property.
10. Ensure compliance with all STC policies applicable to students to the extent they are not in conflict with TCOLE requirements.

V. Termination

1. If a Party materially fails to perform its duties and obligations in accordance with the terms of this Agreement, the other Party may terminate this Agreement upon ten (10) days' advance written notice of termination setting forth the nature of the material failure. The termination will not be effective if the material failure is fully cured before the end of the 10-day period.
2. Either Party may terminate this Agreement for convenience by giving thirty (30) days' written notice to the other Party. Notwithstanding the foregoing, if a training course is in session during the time the notice of termination is issued, termination under this paragraph shall become effective only upon the completion of the training course.

The following parties attest to the contents of this document and agree to implement the provisions contained herein.

South Texas College

Shirley A. Reed, M.B.A, Ed.D.
President

Date

City of Pharr

Alex Meade
City Manager

Date

Pharr Police Department

Jose Luengo
Chief of Police

Date



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.F.

DATE SUBMITTED: March 11, 2019

MEETING DATE: March 18, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR:

Agenda Item: Consideration and action, if any, amending design-build contract budget with International Consulting Engineers (ICE) for various structural design elements of the Downtown Gateway and Lighting Improvements.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Staff is requesting authorization to amend the design-build contract budget for the Gateway and Lighting Improvements to Down Town Pharr in order to meet project schedule requirements.

The original estimated budget was \$400,000. Due the increases in material costs, the revised budget is \$519,635

Financial Consideration:

Original

Estimated Budget \$400,000

Revised Budget \$519,635

Staff Recommendation: Staff recommends approval.

Alternatives: N/A

ROUTING:

Omar Anzaldua

Omar Anzaldua

Patricia Rigney

Sandra Zamora

Karla Moya

Created/Initiated - 3/11/2019

Approved - 3/11/2019

Approved - 3/11/2019

Approved - 3/14/2019

Approved - 3/15/2019

City Management Office

Final Approval - 3/15/2019

**AGREEMENT
BETWEEN OWNER AND DESIGN/BUILD CONTRACTOR**

This Agreement is made as of _____, 20____ (the “Effective Date”), by and between

The **Owner**:

City of Pharr, Texas
118 S. Cage Blvd.
Pharr, Texas 78577

and

The **Design/Build Contractor**:

International Consulting Engineers (ICE)
Contact: Hugo P. Gonzalez, Jr., PE
1722 N. Closner, Suite B
Edinburg, Texas 78541

For the following **Project**:

Downtown Light Improvement Project

The **Project Architect** is:

Diseno Inc.,
101 S. Cage Blvd.
Pharr, Texas 78577

The Owner and the Design/Build Contractor agree as follows:

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ARTICLE 1 SCOPE OF WORK

The Design/Build Contractor has overall responsibility for and shall provide complete Pre-Construction Phase Services and Construction Phase Services and furnish all design services, materials, equipment, tools and labor as necessary or reasonably inferable to complete the Project, or any phase of the Project, in accordance with the Owner's requirements and the terms of this Agreement.

ARTICLE 2 CONTRACT DOCUMENTS

The Contract Documents form the entire and integrated Contract between Owner and Design/Build Contractor and supersede all prior negotiations, representations or agreements, written or oral. The Contract Documents consist of:

- 2.1 This Agreement and all attachments hereto;
- 2.2 Special Conditions and Division 1 Specifications prepared by the Owner;
- 2.3 Project Manuals developed for the design or construction of the Project;
- 2.4 The Owner's Design Requirements;
- 2.5 All Addenda issued prior to the Effective Date of this Agreement;
- 2.6 The HUB Subcontracting Plan for Design Phase Services;
- 2.7 The Guaranteed Maximum Price Proposal as executed by the parties;
- 2.8 The HUB Subcontracting Plan for Construction Phase Services when accepted by the Owner;
- 2.9 All Additional Services Proposals when accepted by the Owner;
- 2.10 All Change Orders issued after the Effective Date of this Agreement;
- 2.11 The Drawings and Specifications developed by Design/Build Contractor and accepted by Owner;
- 2.12 The Drawings and Specifications developed or prepared by Owner's independent consultants, if any, that are included in the Guaranteed Maximum Price Proposal; and
- 2.13 Any other documents listed in this Agreement.

ARTICLE 3 DEFINITIONS

The terms, words and phrases used in the Contract Documents shall have the meanings given in the Uniform General and Supplementary Conditions and as follows.

3.1 **"Construction Cost Limitation"** or "CCL" means the maximum monetary amount payable to the Design/Build Contractor for all Construction Phase services, materials, labor and other work required for completion of the Work in accordance with the Contract Documents. The CCL includes, without limitation, the General Conditions Costs, the Cost of the Work, the Construction Phase Fee and the Design/Build Contractor's Contingency. The CCL may be adjusted by the parties for changes in the scope of the Project before or after acceptance of the Guaranteed Maximum Price Proposal. The CCL does not include the Design/Build Contractor's Pre-Construction Phase Fee, or Owner's Construction Contingency.

3.2 **"Construction Services"** means the implementation and execution of the construction work required by the Contract Documents. The construction phase of the Project may be divided into different stages, each with different start and completion dates.

3.3 **"Contract Sum"** means the total amount of all compensation payable to the Design/Build Contractor for the Project and shall not exceed the sum total amount of the Pre-Construction Phase Services Fees plus the Guaranteed Maximum Price Proposal accepted by the parties, subject to

adjustment for Additional Services or Change Orders. Any costs that exceed the Contract Sum shall be borne solely by Design/Build Contractor without reimbursement by Owner.

3.4 “**Design Consultant**” means any licensed professionals or firms, other than the Project Architect, engaged by Owner as independent consultants for the Project Improvements.

3.5 “**Design Services**” means all professional services required to fulfill the Pre-Construction Phase and Additional design obligations of this Agreement, including, but not limited to, programming, schematic design, design development and construction documents.

3.6 “**Direct Construction Cost**” means the sum of the amounts that the Design/Build Contractor actually and necessarily incurs for General Conditions Costs, Cost of the Work and Design/Build Contractor’s Contingency during the Construction Phase as allowed by this Agreement. Direct Construction Cost does not include Pre-Construction Phase Services Fees or Construction Phase Fees.

3.7 “**Direct Salary Expense**” or “DSE” means the actual gross salary, expressed on an hourly wage basis, of Design/Build Contractor’s and Project Architect’s employees and consultants directly engaged on the Project. For DSE purposes, Project Architect’s employees includes, but is not limited to, architects, officers, principals, engineers, designers, job captains, draftspersons, and specifications writers, who are performing consultation, research or design, or who are producing drawings, specifications, plans, or other documents pertaining to the Project, or who are performing services that are directly attributable to and necessary for the Project.

3.8 “**Estimated Construction Cost**” means the total cost of all elements of the project, including, without limitation, all alternates, allowances and contingencies, designed and specified by the Design/Build Contractor. The Estimated Construction Cost shall include, at current market rates with a reasonable allowance for overhead, profit and price escalation, the cost of labor and materials furnished by the Owner and any equipment which has been shown in the plans, specified, and specially provided for by the Design/Build Contractor. Estimated Construction Cost does not include Design Phase Fees. Estimated Construction Cost does not include the cost of the land, rights-of-way, or any costs that are the responsibility of the Owner.

3.9 “**General Conditions Costs**” means costs incurred and minor work performed on the jobsite by the Design/Build Contractor without the need for competitive bids/proposals. The allowable General Conditions items are further described in the Agreement and limited by attached exhibit.

3.10 “**Guaranteed Maximum Price**” or “GMP” means the amount proposed by the Design/Build Contractor and accepted by the Owner as the maximum cost to the Owner for construction of the Work in accordance with the Contract Documents. The GMP includes Design/Build Contractor’s Construction Phase Fee, the General Conditions Costs, the Cost of the Work, Design/Build Contractor’s Construction Contingency amount, and the Owner’s Construction Contingency amount.

3.11 “**Monthly Salary Rate**” means the amount agreed to by the Owner that can be used on Applications for Payment throughout the Construction Phase to account for the services of Design/Build Contractor’s salaried personnel assigned to the Project. A Monthly Salary Rate must be established for each salaried person and must be approved in writing by the Owner in advance of any Application for Payment seeking reimbursement for that person. The Monthly Salary Rate is for convenience only and any payments made for Design/Build Contractor’s personnel are subject to audit to determine the actual cost of the wages and allowable employer contributions incurred by the Design/Build Contractor for services performed for the Project.

3.12 **“Preliminary Project Cost”** or “PPC” means the total estimated cost of the entire Project, including design, construction, and other associated costs and services which is established prior to the commencement of design.

3.13 **“Project Architect”** means the professional architect or engineer employed by the Design/Build Contractor to perform all or part of the Design Services or the Construction Contract Administration Services in accordance with the Contract. The Project Architect and its professional consultants must be qualified to perform the Design Services and the Construction Contract Administration Services and be licensed in the State of Texas in their respective professions.

3.14 **“Project Team”** means the Owner, Design/Build Contractor, Project Architect, any separate contractors employed by Owner, and other consultants employed for the purpose of programming, design, and construction of the Project. The constitution of the Project Team may vary at different phases of the Project. The Project Team will be designated by Owner and may be modified from time to time by Owner.

3.15 **“Standards and Standard Specifications”** means the construction and design requirements and standards of the Owner and City of Pharr building and safety codes which are incorporated by reference.

3.16 **“Subcontractor”** means a person or entity who has an agreement with the Design/Build Contractor to perform any portion of the Work. The term Subcontractor does not include the Project Architect or any person or entity hired directly by the Owner.

3.17 **“Total Project Cost”** or “TPC” means the total budget established for the Project by the Owner at the end of the design development phase (subject to subsequent modification by Owner), which includes but is not limited to professional services costs, Design/Build Contractor’s costs, the costs of the General Conditions items, furniture, fixtures and equipment costs, landscaping costs, moving costs, and other miscellaneous costs.

3.18 **“Work”** means the provision of all services, labor, materials, supplies, and equipment which are required or reasonably inferable to complete the Project in strict accordance with the requirements of the Contract Documents. Work includes, but is not limited to, the Pre-Construction Phase Services, Design Services, the GMP proposal, the Construction Phase Services, and any Additional Services and other services required. The term “reasonably inferable” takes into consideration the understanding of the parties that not every detail will be shown on the Drawings and included in the Specifications.

ARTICLE 4 DESIGN/BUILD CONTRACTOR’S GENERAL RESPONSIBILITIES

4.1 Design/Build Contractor shall perform all services specifically allocated to it by the Contract Documents as well as those services reasonably inferable from the Contract Documents as necessary for completion of the Work and the Project. Design/Build Contractor agrees to perform these services using its best efforts, skills, judgments and abilities.

4.2 Design/Build Contractor shall coordinate with the Project Architect and endeavor to further the interests of the Owner and the Project. Design/Build Contractor shall furnish Pre-Construction Phase Services and Construction Phase Services and complete the Project in an expeditious and economical manner consistent with the interests of the Owner and in accordance with the Project Schedule.

4.3 Within seven (7) days of receipt of the Notice to Proceed with Pre-Construction Phase Services, the Design/Build Contractor shall submit for the Owner’s review and acceptance a Critical Path Method

(CPM) Schedule in accordance with the Project Planning and Scheduling requirements of the Owner's Specifications. The CPM Schedule shall encompass the entire Project duration, including performance of the both the Pre-Construction Phase Services and the Construction Phase Services.

4.4 The CPM Schedule for the Pre-Construction Phase of the Project shall include reasonable amounts of time for the Owner's review and approval of design drawings and specifications and for approval of authorities having jurisdiction over the Project.

4.5 Upon acceptance of the CPM Schedule, it shall become the baseline for evaluating performance of the Project and Design/Build Contractor shall monitor the progress of the Project in relation to the CPM Schedule and provide the Owner with at least monthly updates and status reports as outlined in the Owner's Specifications. The time periods established in the CPM Schedule for the Pre-Construction Phase and the Construction Phase and the overall duration of the Project shall not be changed without written consent from the Owner.

4.6 Design/Build Contractor shall designate a representative authorized to act on the Design/Build Contractor's behalf with respect to the Project.

4.7 Design/Build Contractor shall establish procedures for communication and coordination among the Project Team, Subcontractors, separate contractors, and others with respect to all aspects of the construction of the Project and implement such procedures.

4.8 Design/Build Contractor shall establish and maintain a numbering and tracking system for all Project records, including changes, requests for information, submittals, and supplementary instructions and shall provide updated records at each Owner's meeting and when requested.

4.9 Fast Track/Multiple Completion Times. If the Owner elects to "fast-track" or develop the Project in multiple stages, Design/Build Contractor shall organize and perform its services as appropriate to each stage. Each stage of the Project may have a unique schedule for completion and a specific Construction Cost Limitation, at Owner's discretion.

4.10 Design/Build Contractor shall identify to the Owner the employees and other personnel that it will assign to the Project and provide the Monthly Salary Rate for each of them. Design/Build Contractor shall also identify any consultants that will be performing services for the Project. After execution of this Agreement by the Owner, Design/Build Contractor shall not remove or replace the persons or entities assigned to the Project except with the Owner's written consent, which consent shall not be unreasonably withheld. Design/Build Contractor shall not assign to the Project or contract with any person or entity to which Owner has a reasonable objection. Design/Build Contractor shall promptly update the list of persons and consultants if they change during the course of the Project.

4.11 The Owner's Policy on the Utilization of Historically Underutilized Businesses ("Policy") is described in an attached exhibit. Design/Build Contractor, as a provision of the Agreement, must comply with the requirements of the Policy and adhere to the HUB Subcontracting Plans submitted for Pre-Construction Phase and Construction Phase Services. No changes to the HUB Subcontracting Plans can be made by the Design/Build Contractor without the written approval of Owner in accordance with the Policy.

ARTICLE 5

PRE-CONSTRUCTION PHASE

The Pre-Construction Phase shall be deemed to commence upon the date specified in a Notice to Proceed with Pre-Construction Phase Services issued by Owner and shall continue through completion of the Construction Documents and procurement of all major Subcontractor agreements. Design/Build Contractor is not entitled to reimbursement for any costs incurred for Pre-Construction Phase Services performed before issuance of the Notice to Proceed. Pre-Construction Phase Services may overlap Construction Phase Services. The Design/Build Contractor shall perform the following Pre-Construction Phase Services.

5.1 PRE-CONSTRUCTION SERVICES

5.1.1 General Coordination

5.1.1.1 The Design/Build Contractor's Pre-Construction Phase Services team shall attend Project Team meetings with the Owner, the Owner's representatives, and the Project Architect at regularly scheduled intervals throughout the Pre-Construction Phase. Frequent Project Team meetings are anticipated prior to the Owner's acceptance of the GMP and during completion of the Construction Documents.

5.1.1.2 Provide a preliminary evaluation of the Owner's Design Criteria and the Construction Cost Limitation, each in terms of the other.

5.1.1.3 Review and understand the standards and requirements in Owner's Specifications and perform all services in accordance with those standards and requirements.

5.1.1.4 Visit the site and inspect the existing facilities, systems and conditions to insure an accurate understanding of the existing conditions as required.

5.1.1.5 Provide recommendations and information to the Project Team on: site usage and site improvements; building systems, equipment and construction feasibility; selection and availability of materials and labor; time requirements for installation and construction; assignment of responsibilities for safety precautions and programs; temporary Project facilities; equipment, materials and services for common use of the Design/Build Contractor and Owner's separate contractors, if any; cost factors, including costs of alternative materials or designs, preliminary budgets, and possible cost savings; recognizing and tracking the resolution of conflicts in the proposed Drawings and Specifications; methods of delivery of materials, systems, and equipment; and any other matters necessary to accomplish the Project in accordance with the Project Schedule (as defined below) and the CCL.

5.1.1.6 Assist the Owner in selecting and directing the services of surveyors, soils engineers, existing facility surveys, testing and balancing, environmental surveys or other special consultants hired by the Owner to develop additional information for the design or construction of the Project.

5.1.1.7 At Owner's request, attend public meetings and hearings concerning the development and schedule of the Project.

5.1.2 Constructability Program

5.1.2.1 Implement and conduct a constructability program to identify and document Project cost and schedule savings opportunities. The constructability program shall follow accepted industry practices and be in accordance with the requirements of the attached exhibit. Whenever the term "value engineering" is used in conjunction with this Agreement or the Project, it has its commonly accepted meaning within the construction industry and does not imply the practice of professional engineering without a license. If

any value engineering activities constitute the professional practice of engineering, then such activities shall be performed by an engineer licensed in Texas.

5.1.2.2 Prepare a “Constructability Report” that identifies items that, in the Design/Build Contractor’s opinion, may negatively impact construction of the Project. The Constructability Report shall address the overall coordination of Project Drawings, Specifications, and details and identify discrepancies that may generate Change Orders or claims once Project construction commences. The Constructability Report shall be updated at least monthly during the Pre-Construction Phase.

5.1.2.3 Provide and implement a system for tracking questions, resolutions, decisions, directions and other information matters that arise during the development of the Drawings and Specifications for the Project. The decision tracking system shall be in a format approved by the Owner and updated at least monthly during the Pre-Construction Phase.

5.1.3 Budget and Cost Consultation

5.1.3.1 The Design/Build Contractor is responsible for preparing and updating all procurement and construction cost estimates and distributing them to the Project Team throughout the duration of the Project.

5.1.3.2 Provide Estimated Construction Cost (ECC) reports at the required stages of completion of the schematic design, design development, and construction document stages of the Project. The Estimated Construction Cost reports for the design development and construction document stages shall be detailed estimates derived from cost quantity surveys based on unit prices for labor, materials, overhead and profit, organized according to Construction Specifications Institute Division 1-16 format for each portion of the Work.

5.1.3.3 Provide continuous cost consultation services throughout the duration of the Project, including identification and tracking of decisions that affect the scope or quality of the Project and providing ongoing updates of their cost and budget impact. Advise the Project Team immediately if the Design/Build Contractor has reason to believe that the most current ECC will exceed the Construction Cost Limitation (CCL) or not meet Schedule requirements and recommend reasonable strategies for bringing the Project in line with the CCL and the Schedule.

5.1.3.4 Design/Build Contractor shall promptly identify all variances between estimated costs and actual costs during the Construction Phase, and shall promptly report such variances to the Project Team along with recommendations for action, but in any event no more than two (2) business days after acquiring such information.

5.1.3.5 Should any ECC exceed or fall significantly below the approved CCL, the Owner and Design/Build Contractor shall negotiate changes to the Project requirements or the CCL as required.

5.1.4 Coordination of Design and Construction Contract Documents

5.1.4.1 Review all Drawings, Specifications, and other Construction Documents as they are developed by the Project Architect during the schematic design, design development, and construction document design stages of the Project.

5.1.4.2 Consult with Owner and Project Architect on the selection of materials, equipment, component systems, and types of construction used on the Project. Advise Owner on site use,

construction feasibility, availability of labor and materials, procurement time requirements, and construction coordination.

5.1.4.3 Advise Owner of any error, inconsistency or omission discovered in the Drawings, Specifications, and other Construction Documents.

5.1.4.4 Advise Owner on reasonable adjustments in the Project scope, quality or other options for keeping the Project cost within the CCL.

5.1.4.5 Review the Construction Documents for compliance with all applicable laws, rules and regulations and with Owner / City of Pharr, Texas requirements.

5.1.5 Construction Planning and Bid Package Strategy

5.1.5.1 Identify equipment or material requiring extended delivery times and advise Owner on expedited procurement of those items. Advise Owner and Project Architect on the preparation of performance specifications and requests for technical proposals for the procurement and installation of systems and components and for the procurement of long lead items. If requested by Owner, and subject to Owner's prior approval, issue requests for technical proposals to qualified sources and receive proposals and assist in their evaluation.

5.1.5.2 Make recommendations to the Project Team regarding organization of the Construction Documents to facilitate the bidding and awarding of construction subcontracts in a manner that promotes the interests of the Project and the Owner. These recommendations may include, but are not limited to, phased or staged construction or multiple separate contracts. The recommendations shall take into consideration such factors as time of performance, type and scope of work, availability of labor and materials, overlapping trade jurisdictions, provisions for temporary facilities, comparisons of factory and on-site production costs, shipping costs, code restrictions, the Owner's goals for HUB contractor participation, and other constraints.

5.1.5.3 Review the Construction Documents with the Project Team to eliminate areas of conflict and overlap in the work to be performed by the various Subcontractors or Owner's separate contractors.

5.1.5.4 Develop a bid/proposal package strategy in coordination with the Project Architect that addresses the entire scope of Work for each phase and stage of the Project. In developing the bid/proposal package strategy, the Design/Build Contractor shall identify all bid/proposal packages on which the Design/Build Contractor intends to submit a self-performance bid/proposal. The bid/proposal package strategy shall be reviewed with the Owner on a regular basis and revised throughout the buyout of the Project so as to best promote the interests of the Project and the Owner.

5.1.5.5 Assist the Owner, the Project Architect, Owner's other consultants, and the Owner's separate contractors in obtaining all applicable risk management, code, and regulatory agency reviews and approvals for the Project including, without limitation, the Texas Department of Licensing and Regulation, the State Fire Marshal, the local fire department, and the Owner's insurance provider.

5.1.5.6 Refine, implement and monitor required HUB Subcontracting Plans to promote equal employment opportunity in the provision of goods and services to the Owner for the Project.

5.1.5.7 Advise Owner of any tests to be performed, and assist Owner in selecting testing laboratories and consultants, without assuming direct responsibility for the work of such laboratories and consultants.

5.1.5.8 Design/Build Contractor shall review the Construction Documents to ensure that they contain adequate provision for all temporary facilities necessary for performance of the Work, and provisions for all of the job site facilities necessary to manage, inspect, and supervise construction of the Work.

5.1.5.9 Provide an analysis of the types and quantities of labor required for the Project and review the appropriate categories of labor required for critical phases or Stages. Make recommendations that minimize adverse effects of labor shortages.

5.1.5.10 Furniture, Fixtures and Equipment. Consult with and make recommendations to the Owner on the acquisition schedule for fixtures, furniture and equipment, and coordinate with the Owner as may be required to meet the Schedule.

5.1.6 Obtaining Bids/Proposals for the Work

5.1.6.1 Design/Build Contractor shall publicly advertise and solicit competitive lump sum bids/proposals from trade contractors or subcontractors for the performance of all major elements of the work other than the minor work that may be included in General Conditions. Criteria for determining the bid/proposal that provides the best value to the Owner shall be established by the Project Team and included in the request for bids/proposals. The Design/Build Contractor shall notify the Owner in advance in writing of the date it will receive the bids/proposals.

5.1.6.2 Schedule and conduct pre-bid conferences with interested bidders/proposers, subcontractors, material suppliers, and equipment suppliers, and record minutes of the conferences.

5.1.6.3 Design/Build Contractor and Owner shall review all trade contractor or Subcontractor bids/proposals in a manner that does not disclose the contents of any bid/proposal to persons outside of the Project Team during the selection process. Based on the selection criteria included in the request for proposals, Design/Build Contractor shall recommend to the Owner the bid/proposal that provides the best value for the Project. Upon Owner's concurrence in the recommendation, Design/Build Contractor may negotiate the terms of the subcontract with the apparent best value bidder/proposer.

5.1.6.4 All subcontracts must be on a lump sum basis unless other payment terms are approved in writing and in advance by the Owner. Upon Owner's concurrence in the final terms of the subcontract, Design/Build Contractor shall enter into a written subcontract for the subcontract work and provide a copy to the Owner. All bids/proposals shall be publicly available after award of the subcontract or within seven (7) days after the date of final selection, whichever is later.

5.1.6.5 If Design/Build Contractor reviews, evaluates, and recommends to Owner a bid/proposal from a trade contractor or subcontractor, but Owner requires another bid/proposal to be accepted, Owner shall compensate Design/Build Contractor by a change in price, time, or Guaranteed Maximum Price for any additional cost and risk that Design/Build Contractor incurs because of Owner's requirement that the other bid/proposal be accepted.

5.1.6.6 Design/Build may seek to self-perform portions of the Work identified for self-performance in the bid/proposal strategy. The Design/Build Contractor must submit a bid/proposal for the self-performance work in the same manner as all other trade contractors or Subcontractors. The Owner will determine whether the Design/Build Contractor's bid/proposal provides the best value for Owner, which determination is final. Design/Build Contractor must perform approved self-performance work in accordance with the same terms and conditions as its other Subcontractors. For payment purposes, the Design/Build Contractor shall account for self-performance work in the same manner as it does all other subcontract costs.

5.1.6.7 Design/Build Contractor shall identify every Subcontractor it intends to use on the Project, including Subcontractors used for self-performed work, to the Owner in writing at least ten (10) days before entering into any subcontract. Design/Build Contractor shall not use any Subcontractor to which Owner has a reasonable objection. Design/Build Contractor shall not be required to subcontract with any Subcontractor to which it has reasonable objection. Following Owner acceptance of a Subcontractor, that Subcontractor shall not be changed without Owner's written consent, which shall not be unreasonably withheld.

5.1.6.8 If a selected trade contractor or subcontractor fails to execute a subcontract after being selected in accordance with this section or defaults in the performance of its work, the Design/Build Contractor may, in consultation with the Owner and without further advertising, fulfill the subcontract requirements itself or select a replacement trade contractor or subcontractor to do so.

5.1.7 Safety

5.1.7.1 In accordance with Owner's Uniform General and Supplementary Conditions, Design/Build Contractor is responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. The safety program shall comply with all applicable requirements of the Occupational Safety and Health Act and all other applicable federal, state and local laws and regulations and with the requirements of the Owner's insurance program.

5.1.7.2 Design/Build Contractor shall provide recommendations and information to Owner and Project Architect regarding the assignment of responsibilities for safety precautions and programs, temporary Project facilities, and equipment, materials, and services for common use of the Subcontractors. Design/Build Contractor shall verify that appropriate safety provisions are included in the Construction Documents. The existence or creation of any Owner controlled insurance program in connection with the Work shall not lessen or reduce the Design/Build Contractor's safety responsibilities.

5.2 DESIGN SERVICES

5.2.1 General Responsibilities

5.2.1.1 Design/Build Contractor shall designate in writing a representative who is responsible for the day-to-day management of the Design Services. The designated representative shall be the Owner's primary contact during the design phase of the Project and shall be available as required for the benefit of the Project and the Owner. The designated representative shall be authorized to act on behalf of and to bind the Design/Build Contractor in all matters related to Design Services. The designated representative shall not be changed without advance written approval from the Owner, which approval shall not be unreasonably withheld.

5.2.1.2 Design/Build Contractor shall engage the services of a Project Architect and other qualified professionals as required for performance of the Design Services. Design/Build Contractor certifies that the Project Architect and all other professional consultants have been or will be selected on the basis of competence and qualifications pursuant to Texas Government Code. Design/Build Contractor shall not perform any architectural or engineering services directly unless Design/Build Contractor is licensed in Texas to perform such services. All drawings, specifications, change orders and other design documents shall bear the seal of the licensed professional who prepared them in accordance with the applicable laws and regulations of the State of Texas.

5.2.1.3 Design/Build Contractor shall be solely responsible for all obligations to the Project Architect and shall pay for the services of the Project Architect and all other professional service providers out of the fees for this Agreement. However, the Owner shall be identified as an intended beneficiary in all such agreements and the Project Architect and all other professional service providers shall acknowledge that they owe a duty of professional care to the Owner for the Design Services provided for the Project. Nothing in this Agreement shall create any contractual obligation from the Owner to the Project Architect or other design professionals not hired directly by the Owner.

5.2.1.4 The Design/Build Contractor shall be responsible for managing the Design Services so as to insure that the Project, as designed, can be constructed for an amount that is within Construction Cost Limitation and will achieve the energy and operational savings required by the Contract. The obligation to design the Project so as to achieve the Program objectives of scope and cost shall continue through completion and acceptance of Construction Documents. Any adjustment to the scope or quality considered necessary to comply with the Construction Cost Limitation or the Program during the design phase shall be mutually agreed upon and shall be considered normal to that process.

5.2.1.5 The Design/Build Contractor shall submit the names of all proposed consultants for Design Services, including the Project Architect and any of its consultants, for approval by the Owner, which approval shall not be unreasonably withheld. The Design/Build Contractor shall provide the Owner with a copy of the fully executed contract or agreement authorizing services by any such consultant. All such contracts shall provide that the consultants are bound to Design/Build Contractor in the same manner and to the same extent as Design/Build Contractor is bound to Owner.

5.2.1.6 The Design/Build Contractor warrants to Owner the sufficiency and completeness of all Design Services performed and that all drawings, specifications, and other information furnished or provided by Design/Build Contractor shall be free from material errors and omissions. Approval or acceptance of any Design Services by Owner shall not in any way release Design/Build Contractor from any duty, responsibility or liability for such services, it being understood that Owner is at all times relying upon Design/Build Contractor's skill and knowledge in performing the Design Phase Services.

5.2.1.7 Owner shall have the right to reject any defective Design Services or other defective Work on the Project of which Owner becomes aware and Design/Build Contractor shall promptly correct any such defect at Design/Build Contractor's expense. Should any portion of the Project Work be damaged or defective due to an error or omission in the Design Services, including errors or omissions in any plans, drawings, specifications, and other construction document materials prepared or furnished by Design/Build Contractor, Design/Build Contractor shall promptly correct any such damage or defect at no additional cost to the Owner. Should the Design/Build Contractor refuse or neglect to correct any such damage or defect within a reasonable time after notice, Owner may cause the damage or defect to be corrected and withhold payment or collect monetary damages equal to the cost of replacing or repairing the defective Work.

5.2.1.8 Owner may elect, at its option, to stage or to "fast-track" construction of the Project in different stages. Such stages may or may not overlap. Design/Build Contractor shall perform Design Services in staged packages as appropriate to each stage of construction which may result in differing schedules and reviews for the completion of each design stage and for each stage of planned construction. The Owner may elect, at its option, to establish a different Construction Cost Limitation for each such stage.

5.2.1.9 At each stage of the Design Services, Design/Build Contractor shall provide the following services as appropriate:

Architectural Services

Landscape Architectural Services
Civil Engineering Services
Structural Engineering Services
Mechanical Engineering Services
Electrical Engineering Services
Construction Cost Estimating
Scheduling Services
Storm Water Pollution Prevention Plan Design Services

5.2.1.10 Design/Build Contractor shall not proceed to any subsequent stage of Design Services until Owner has authorized Design/Build Contractor to proceed in writing, except at the Design/Build Contractor's sole financial risk.

5.2.2 Pre-Design Stage

5.2.2.1 The Design/Build Contractor shall provide a preliminary evaluation of the Owner's Design Criteria and the Construction Cost Limitation, each in terms of the other.

5.2.2.2 The Design/Build Contractor shall visit the site to become sufficiently familiar with the existing facilities, systems and conditions to insure that the Project as designed will functionally interface with the existing conditions as required.

5.2.2.3 The Design/Build Contractor shall review laws applicable to the design and construction of the Project and advise the Owner if any program requirement may cause a violation of such laws.

5.2.2.4 Before proceeding to the Schematic Design Stage, the Design/Build Contractor shall obtain Owner's written approval of the preliminary construction cost estimate and written authorization to proceed.

5.2.3 Schematic Design Stage

5.2.3.1 Based on the approved pre-design documents and any adjustments to the Program or Construction Cost Limitation authorized by the Owner, the Design/Build Contractor shall develop sufficient alternative approaches to design and construction of the Project and review them with the Owner. The Design/Build Contractor shall prepare Schematic Design documents and a preliminary construction cost estimate and submit them to the Owner for approval. The construction cost estimate shall affirm adherence to the Construction Cost Limitation.

5.2.3.2 The Design/Build Contractor shall furnish and deliver to the Owner the number of complete printed sets of Schematic Design documents as required.

5.2.4 Design Development Stage

5.2.4.1 Based on the approved Schematic Design documents and any adjustments to the Construction Cost Limitation authorized by the Owner, the Design/Build Contractor shall prepare Design Development documents and a detailed construction cost estimate and submit them to the Owner for approval. The Design Development Documents shall fix and describe the size and character of the entire Project, including site work, architectural, structural, mechanical and electrical systems, materials and such other

elements as may be appropriate. The detailed construction cost estimate shall confirm adherence to the Construction Cost Limitation

5.2.4.2 The Design/Build Contractor shall furnish and deliver to the Owner the number of complete printed sets of Design Development documents as required.

5.2.4.3 The Design/Build Contractor shall prepare presentation materials as described in Owner's Design Guidelines at completion of Design Development and, if requested, present them at a Board of Commissioners meeting.

5.2.4.4 Before proceeding into the Construction Document Stage, the Design/Build Contractor shall obtain Owner's written approval of the Design Development documents and the mutually established Construction Cost Limitation.

5.2.5 Construction Documents Stage

5.2.5.1 Based on the approved Design Development Documents and any further adjustments to the Program, the Construction Cost Limitation or the Project Construction Cost as authorized by the Owner, the Design/Build Contractor shall prepare Construction Documents consisting of Drawings and Specifications and submit them to the Owner for approval. The Construction Documents shall set forth in detail the requirements for construction of the Project. The Construction Documents shall provide for the construction of the Project within the approved Project Construction Cost.

5.2.5.2 The Construction Documents shall be consistent in all material respects with Design/Build Contractor's prior design proposals to Owner and with the approved Guaranteed Maximum Price proposal.

5.2.5.3 The Design/Build Contractor shall advise the Owner regarding construction phasing and scheduling, the construction contract time period, and such other construction conditions considered appropriate for the Project.

5.2.5.4 The Design/Build Contractor shall furnish and deliver to the Owner the number of complete printed sets of Construction Documents as required.

5.2.5.5 Following Owner's approval of the Construction Documents, Design/Build Contractor shall deliver to the Owner Computer-aided Design and Drafting ("CADD") system copies of the Construction Documents in the format and media specified by the Owner.

5.2.5.6 Following Owner's approval of the Construction Documents, Design/Build Contractor shall not be entitled to any adjustment in the approved Project Construction Cost except for changes in Project scope or quality which materially increase or decrease the cost to construct the Project that are ordered by Owner in writing in accordance with the Uniform General and Supplementary Conditions.

5.2.6 Review Drawings

5.2.6.1 The Design/Build Contractor, at its sole expense, shall provide Owner with the required number of design document review sets at each required stage of completion:

5.2.6.2 The Design/Build Contractor shall incorporate into the documents such corrections and amendments as the Owner requests at each stage review, unless the Design/Build Contractor objects to such changes in writing and Owner agrees to the objections. Any additional cost incurred due to

Design/Build Contractor's failure to incorporate Owner's requested corrections and amendments shall be borne by the Design/Build Contractor.

5.2.6.3 Design/Build Contractor shall identify to Owner in writing anything in Design/Build Contractor's drawings and specifications and any drawings, plans, sketches, instructions, information, requirements, procedures, requests for action, and other data supplied to Design/Build Contractor (by Owner or any other party) that Design/Build Contractor regards as unsuitable, improper, or inaccurate in connection with the purposes for which such documents or data are furnished. Design/Build Contractor shall be solely responsible for the use of such documents or data unless Design/Build Contractor advises Owner in writing that in its opinion such documents or data are unsuitable, improper, or inaccurate and Owner instruct the Design/Build Contractor in writing to proceed in accordance with the documents or data as originally given.

5.2.6.4 The Design/Build Contractor shall pay all costs for plans, specifications and other design and construction documents used by the Design/Build Contractor and its consultants and subcontractors, and all documents produced for review by the Owner, except for changes generated solely by Owner.

5.2.7 Additional Design Services

5.2.7.1 Additional Design Services shall be provided by the Design/Build Contractor and paid for in accordance with this Agreement by the Owner if authorized in writing by the Owner. Prior to commencing any Additional Design Service, Design/Build Contractor shall submit to the Owner an Additional Services Proposal in a form acceptable to the Owner. The Additional Services Proposal shall describe in detail the nature or scope of the Additional Design Services, the basis upon which Design/Build Contractor believes that such services are Additional Services, the maximum amount of fees and reimbursable expenses for performance of the Additional Services, and a proposed schedule for the performance of the Additional Services. Design/Build Contractor shall proceed with the Additional Design Service only after written acceptance by Owner of the Additional Services Proposal.

5.2.7.2 Upon acceptance by Owner, each Additional Services Proposal and the services performed by Design/Build Contractor pursuant to such Additional Services Proposal shall become part of this Agreement and shall be subject to all the terms and conditions of this Agreement, as fully and completely as though the same had been included in this Agreement as a Basic Service at the original execution of this Agreement.

5.2.7.3 The following services, if requested by the Owner, are Additional Design Services:

- a. Providing financial feasibility or other special studies other than as they relate to energy conservation and guaranteed savings, and the cost of the Project.
- b. Providing planning surveys, site evaluations, environmental studies or comparative studies of prospective sites.
- c. Providing services relative to future facilities, systems and equipment which are not intended to be constructed during the Construction Phase.
- d. Providing services to make detailed investigation of existing conditions or facilities or to make measured drawings thereof, other than to verify the accuracy of drawings or other information furnished by the Owner.
- e. Providing coordination of Work performed by Owner's separate Contractors or by the Owner's own forces.
- f. Providing services in connection with the Work of separate consultants retained by the Owner.

- g. Providing services for planning tenant or rental spaces.
- h. Making revisions in Drawings, Specifications or other documents when such revisions are inconsistent with written approvals or instructions previously given by the Owner or due to Changes approved by the Owner and not due to errors or omissions by the Project Architect.
- i. Making revisions in Drawings, Specifications or other documents when such revisions are required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents.
- j. Making investigations, surveys, valuations, inventories or detailed appraisals of existing facilities, except as necessary and appropriate for the performance of the Design Phase Services required in connection with construction performed by the Owner.
- k. Providing consultation concerning replacement of any Work damaged by fire or other cause during construction, and furnishing services as may be required in connection with the replacement of such Work provided that the damage was not caused wholly or in part by the Design/Build Contractor or a Subcontractor.
- l. Providing services after final payment or expiration of the Warranty, whichever is later, except as otherwise required by the Contract.
- m. Preparing to serve or serving as an expert witness at the request of the Owner in connection with any public hearing, arbitration proceeding or legal proceeding.
- n. Providing any other services not otherwise customarily furnished in accordance with generally accepted architectural or engineering practice.
- o. Providing "as-built" record drawings in CADD format.
- p. Providing a Hazardous Material Abatement Consultant to provide hazardous material abatement expertise (including, but not limited to, asbestos and lead) through the Program, Schematic Design, Design Development, Construction Document and Construction Service Phases of the Project. The Hazardous Material Abatement Consultant shall be selected on the basis of competence and qualifications pursuant to *Texas Government Code* from a list of approved consultants provided by the Owner. Consultant shall review Owner provided surveys, make recommendations regarding the need for additional surveys, develop design and cost alternatives for hazardous material abatement, prepare plans and specifications to include abatement in the general construction scope of work, provide a licensed individual to monitor hazardous material removal as required by State and EPA guidelines, and prepare a final abatement report. Design/Build Contractor shall provide the Owner with a written itemized cost proposal to provide Hazardous Material Abatement Consulting services, including coordination of the Design/Build Contractor. Hazardous Materials Abatement insurance shall be provided by the Design/Build Contractor and coverage for this service will not be included in any Owner provided insurance program.
- q. Providing a Commissioning Consultant to provide commissioning expertise through the Program, Schematic Design, Design Development, Construction Document and Construction Services Phases of the Project. The Commissioning Consultant shall review input related Project objectives, methods and concepts of commissioning.

ARTICLE 6 PRE-CONSTRUCTION PHASE FEE

6.1 The Pre-Construction Phase Fee is the total compensation payable to the Design/Build Contractor for the performance of Pre-Construction Phase Services, except for Additional Pre-Construction Phase Services approved in advance and in writing by the Owner. The Pre-Construction Phase Fee shall be a lump sum amount based on the CCL established in this Agreement.

6.2 Except as specifically allowed in paragraph 6.4, the Design/Build Contractor shall not be entitled to any increase in the Pre-Construction Phase Fee for any costs, expenses, liabilities or other obligations arising from the performance of Pre-Construction Phase Services.

6.3 Costs associated with the following items are specifically, but not exclusively, in the establishment of the Pre-Construction Phase Fee: profit and profit sharing; general overhead; salaries and labor; housing and relocation; fees and other payments to the Project Architect, its consultants and other professional service providers hired by the Design/Build Contractor to perform the Design Services; estimating, scheduling and information management systems and software; contract administration; office expenses; printing and copying; consulting fees; legal or accounting fees; cost of money; taxes; insurance premiums and deductibles; bond costs; purchase or rental of equipment; utilities; travel; per diem; fines or penalties; and damage awards.

6.4 If the scope of the Pre-Construction Phase Services is changed materially, the Pre-Construction Phase Fee shall be equitably adjusted. If the CCL is changed materially before acceptance of the GMP Proposal, the Pre-Construction Phase Fee shall be adjusted in proportion to the change in the CCL. There shall be no adjustments in the Pre-Construction Phase Fee following acceptance of the GMP Proposal.

6.5 For Additional Pre-Construction Phase Services that are approved in advance and in writing by the Owner, Design/Build Contractor shall be entitled to additional compensation computed as a:

6.5.1 A pre-established lump sum amount; or

6.5.2 The hourly cost of Design/Build Contractor's employee's or consultants who actually perform the Additional Services based on the employee's Direct Salary Expense rate or prorated Monthly Salary Rate plus the actual cost of allowable expenses incurred in the performance of the Additional Services plus an overhead and profit markup of ten percent (10%) of the total cost; or

6.5.3 As otherwise agreed to by the parties in advance of performing the Additional Pre-Construction Phase Services.

ARTICLE 7 GUARANTEED MAXIMUM PRICE PROPOSAL

7.1 When the Parties agree that the design of the Project is sufficiently developed and documented to allow detailed pricing of its construction, Design/Build Contractor shall prepare and submit a Guaranteed Maximum Price ("GMP") Proposal to Owner. The GMP Proposal must be prepared in accordance with the guidelines and delivered in the format specified by Owner in the attached exhibits. Owner, at its sole option and discretion, may specify different requirements for the GMP Proposal. Design/Build Contractor shall not withdraw its Guaranteed Maximum Price Proposal for ninety (90) days following submission to the Owner.

7.2 The Design/Build Contractor shall review development of the GMP Proposal with the Owner on an ongoing basis to address clarifications of scope and pricing, distribution of contingencies, schedule, assumptions, exclusions, and other matters relevant to the establishment of a GMP.

7.3 The GMP Proposal must include a written description of how it was derived that specifically identifies the clarifications and assumptions made by the Design/Build Contractor in the GMP and the monetary amounts attributable to them. The GMP Proposal shall include, without limitation, a breakdown of Design/Build Contractor's estimated General Conditions Costs and estimated Costs of the Work

organized by trade; contingency amounts; the Construction Phase Fee; and the proposed Contract Time, including dates for Notice to Proceed, Substantial Completion and Final Completion.

7.4 The Guaranteed Maximum Price Proposal shall allow for all changes and refinements in the Drawings and Specifications through completion of the Construction Documents, except for material changes in scope.

7.5 The GMP Proposal may include a Design/Build Contractor's Contingency amount as allowed under Direct Construction Cost.

7.6 Included with its GMP Proposal, Design/Build Contractor shall provide two complete, bound sets of the drawings, specifications, plans, sketches, instructions, requirements, materials, equipment specifications and other information or documents that fully describe the Project as developed at the time of the GMP Proposal and that are relevant to the establishment of the GMP. The bound supporting documents shall be referenced in and incorporated into the GMP Proposal.

7.7 The GMP Proposal and all supporting documents shall identify and describe all items, assumptions, costs, contingencies, schedules and other matters necessary and relevant for proper execution and completion of the Work and for establishment of the Guaranteed Maximum Price. The GMP Proposal and the supporting documents are complementary and, in the event of an irreconcilable conflict between or among them, the interpretation that provides for the higher quality of material and/or workmanship shall prevail over all other interpretations.

7.8 In submitting the GMP Proposal, the Design/Build Contractor represents that it will provide every item, system or element of Work that is identified, shown or specified in the GMP Proposal or the supporting documents, along with all necessary or ancillary materials and equipment for their complete operating installation, unless specifically excepted by the Owner. Upon Owner's acceptance of the GMP Proposal, the Design/Build Contractor shall not be entitled to any increase in the Guaranteed Maximum Price due to the continued refinement of the Construction Documents or the absence or addition of any detail or specification that may be required in order to complete the construction of the Project as described in and reasonably inferable from the GMP Proposal or the supporting documents used to establish the GMP. Any costs that exceed the GMP shall be borne solely by the Design/Build Contractor without reimbursement by the Owner. Design/Build Contractor is responsible for all design, including incidental designing/detailing as required by the Specifications for shop drawing purposes, except for design provided by Owner's independent Design Consultants, if any.

7.9 Prior to commencement of the Construction Phase Services and concurrently with submission of the Guaranteed Maximum Sum Proposal, the Design/Build Contractor shall submit for the Owner's acceptance a schedule for the performance of Construction Phase Services as specified. The Construction Phase Schedule shall include reasonable periods of time for the Owner's review and acceptance of design drawings and submissions and for approval of authorities having jurisdiction over the Project. Upon acceptance of a Guaranteed Maximum Sum Proposal by the Owner, the Construction Phase Schedule shall not be modified except for good cause as approved by the Owner at the Owner's sole option and discretion.

7.10 The GMP Proposal shall adopt and incorporate all of the terms and conditions of this Agreement and all attachments to this Agreement. Any proposed deviation from the terms and conditions of this Agreement must be clearly and conspicuously identified to the Owner in writing and specifically accepted by the Owner. In the event of a conflict between any term of the GMP Proposal that was not clearly and conspicuously identified and approved by the Owner and the terms of this Agreement and its attachments, the terms of the Agreement and its attachments shall control.

7.11 Owner may accept or reject the Guaranteed Maximum Price Proposal or attempt to negotiate its terms with Design/Build Contractor. Upon acceptance by the Owner of the GMP Proposal in writing, both parties shall execute the GMP Proposal and the terms of the GMP Proposal, including the Guaranteed Maximum Price and the supporting documents, shall become part of the Contract between the Owner and the Design/Build Contractor. If the Owner rejects the GMP Proposal or the parties are unable or unwilling to agree on a GMP, the Owner may terminate this Agreement.

7.12 Following Owner acceptance of the GMP Proposal, Design/Build Contractor shall continue to monitor the development of the Construction Documents so that, when complete, the Construction Documents adequately incorporate and resolve all qualifications, assumptions, clarifications, exclusions and value engineering issues identified in the GMP Proposal. During the Construction Documents stage, the Design/Build Contractor and the Project Architect shall jointly deliver a monthly status report to the Owner describing the progress on the incorporation of all qualifications, assumptions, clarifications, exclusions, value engineering issues and all other matters relevant to the establishment of the GMP into the Construction Documents.

7.13 The Design/Build Contractor shall be entitled to an equitable adjustment of the GMP if it is required to pay or bear the burden of any new federal, state, or local tax, or any rate increase of an existing tax, except taxes on income, adopted through statute, court decision, written ruling, or regulation taking effect after acceptance of the GMP Proposal. This equitable adjustment does not apply to tax increases borne solely by Subcontractors.

7.14 The Parties may agree to convert the GMP to a lump sum contract amount at any time after the Design/Build Contractor has received bids or proposals from trade contractors or Subcontractors for the performance of all major elements of the Work. In proposing a lump sum amount, the Design/Build Contractor shall consider the buyout savings, any unused contingency amounts and the trade package contracts that have not been finalized. In preparing a lump sum conversion proposal, the General Contractor must provide the following information:

- The stage of completion of the Project;
- The trade packages that have been completely bought out;
- The trade packages remaining that have not been bought out;
- A complete line item breakdown of the calculations used to establish a lump sum amount based on the GMP Schedule of Values;
- An accounting of all savings amounts that are to be returned to the Owner as part of the lump sum calculation; and
- Any other Project information requested by the Owner.

7.15 The Design/Build Contractor shall document the actual Cost of the Work at buyout as compared to the Guaranteed Maximum Price proposal and shall report this information to the Owner monthly with Design/Build Contractor's recommendation for selection of a bid/proposal for each subcontracting package.

ARTICLE 8 CONSTRUCTION PHASE SERVICES

The Construction Phase shall be deemed to commence upon the date specified in a Notice to Proceed issued by Owner after approval of the Guaranteed Maximum Price Proposal and shall continue until Final Completion of all Work. Pre-Construction Phase Services may overlap Construction Phase Services. Design/Build Contractor shall not incur any subcontractor costs for construction of the Work

prior to issuance by Owner of written authorization to commence such Work. The Design/Build Contractor shall perform the following Construction Phase Services.

8.1 General Responsibilities

8.1.1 Construct the Work in strict accordance with the Construction Documents and as required by the Uniform General and Supplementary General Conditions and Owner's Specifications within the time required by the Project Schedule approved by Owner.

8.1.2 Organize and maintain a competent, full-time staff at the Project site with clearly defined lines of authority and communication as necessary to coordinate construction activities, monitor and direct progress of the Work, and further the goals of the Project Team.

8.1.3 Designate in writing a representative who is responsible for the day-to-day management of the Construction Phase Services. The designated representative shall be the Owner's primary contact during the Construction Phase and shall be available as required for the benefit of the Project and the Owner. The designated representative shall be authorized to act on behalf of and bind the Design/Build Contractor in all matters related to Construction Phase Services including, but not limited to, execution of Change Orders and Applications for Payment.

8.1.4 Attend Owner's regularly scheduled Project progress meetings and fully advise the Project Team of the Project status including schedule, costs, quality and changes.

8.1.5 In addition to attending Owner's regularly scheduled Project progress meetings, Design/Build Contractor shall schedule, direct and attend interim progress meetings with other members of the Project Team as required to maintain Project progress. Design/Build Contractor shall record and distribute the minutes of each meeting to each Project Team member. The minutes shall identify critical activities that require action and the dates by which each activity must be completed.

8.1.6 Coordinate delivery and installation of Owner-procured material and equipment.

8.1.7 In accordance with Owner's Standard Uniform General and Supplementary Conditions, provide and pay for all labor, materials, equipment, tools, construction equipment and machinery, transportation, and all other facilities and services necessary for the proper execution and completion of the Work in strict accordance with the requirements of the Construction Documents.

8.1.8 Obtain building permits and special permits for permanent improvements as required by law or the Construction Documents. Assist Owner or Project Architect in obtaining all approvals required from authorities having jurisdiction over the Project.

8.1.9 Coordinate, monitor and inspect the work of Subcontractors to ensure conformance with the Construction Documents.

8.1.10 Be responsible for all construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work. The Design/Build Contractor shall keep the Owner informed of the progress and quality of the Work.

8.1.11 Design/Build Contractor shall promptly correct any defective Work at Design/Build Contractor's sole expense.

8.1.12 Warrant that the materials and equipment provided for the Project will be of good quality and new unless otherwise required or permitted by the Construction Documents; that the construction will be free from faults and defects; and that the construction will conform with the requirements of the Construction Documents. The Design/Build Contractor shall be responsible for correcting Work that does not comply with the Construction Documents at its sole expense without cost to the Owner.

8.1.13 In accordance with the Uniform General and Supplemental Conditions regarding Record Documents and the Owner's Project Closeout Specification, the Design/Build Contractor shall maintain and deliver the required documents that describe changes or deviations from the Construction Documents that occurred during construction and that reflect the actual "As Built" conditions of the completed Work.

8.2 Construction Contract Administration

8.2.1 The Design/Build Contractor, through the Project Architect, shall furnish the following Contract Administration Services during the Construction Phase. Fees for these services are included in the Design/Build Contractor's Construction Phase Fee.

8.2.2 The Project Architect shall assist in the administration of the Contract for Construction as set forth below and in the project manual and the current edition of the Owner's A/E Design Guidelines and Owner's Design Criteria.

8.2.3 The Project Architect, and his related consultants, shall inspect the Project site at intervals appropriate to the type and stage of construction progress and as otherwise required by this Agreement to observe the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. On the basis of such onsite observations, the Project Architect shall observe the progress and quality of the Work, and shall endeavor to guard the Owner against defects and deficiencies in the Work.

8.2.4 In addition to site visits for general inspection and observation, the Project Architect shall visit the site for specific purposes related to certification of progress payments, start-up or mock-up reviews for significant work activities and for formal inspections of the Work. The Project Architect shall provide written reports of all site visits to the Owner and the Design-Build Contractor within three business days.

8.2.5 The Design/Build Contractor shall establish and maintain a numbering and tracking system for all project records, including changes, requests for information, submittals, and supplementary instructions shall provide updated records at each Owner's meeting and when requested.

8.2.6 The Design/Build Contractor shall administer all regular progress and special meetings scheduled by the Owner and shall promptly provide meeting minutes to all parties within seven days. The Project Architect shall attend the Design/Build Contractor's regularly scheduled planning meetings.

8.2.7 The Design/Build Contractor shall prepare an agenda for and conduct job conferences for attendance by representatives of the Design-Build Contractor, major Trade Contractors and Subcontractors, the Project Architects and Owner, and prepare and distribute minutes of the meetings and a construction status report.

8.2.8 The Project Architect's certification of Design/Build Contractor's Estimate for Partial Payment for Construction Phase Services shall constitute a representation by the Project Architect to the Owner, based on the Project Architect's observations at the site as provided in this Agreement and on the data comprising the Design/Build Contractor's Estimate for Partial Payment that the Work has progressed

to the point indicated; that, to the best of the Project Architect's knowledge, information and belief, the quality of the work is in accordance with the Contract Documents. However, the certification of a Design/Build Contractor's Estimate for Partial Payment shall not be a representation that the Project Architect has made any examination to ascertain how and for what purpose the Design/Build Contractor has used the moneys paid on account of the Contract Sum.

8.2.9 The Project Architect, with the approval of the Owner, shall interpret the technical requirements of the Contract Documents. The Project Architect shall render interpretations necessary for the proper execution or progress of the Work with reasonable promptness on written request of either the Owner or the Design-Build Contractor, and shall render written recommendations to the Owner within a reasonable time on matters relating to the execution or progress of the Work or the interpretation of the Contract Documents.

8.2.10 The Project Architect shall provide consultation for the purpose of clarification and interpretation of the intent and scope of the Construction Documents. Project Architect's interpretations and recommendations shall be consistent with the intent of and reasonably inferable from the Contract Documents. Project Architect's interpretations shall be made in written and/or graphic form including, if necessary or appropriate, supplemental documents to amplify or clarify portions of the Construction Documents.

8.2.11 The Project Architect shall review and approve or take other appropriate action upon the Design/Build Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformance with the design concept of the Work set forth in the Contract Documents, and shall respond to Design-Build Contractor's inquiries and questions and provide such supplemental information as appropriate. One copy of each submittal, shop drawing, product data, etc., shall be provided to the Owner.

8.2.12 The Project Architect shall provide assistance to the Owner in the review of the Design/Build Contractor's requests for change orders and pricing thereof.

8.2.13 The Project Architect shall prepare Change Orders for the Owner's approval and execution in accordance with the Contract Documents, and shall, with Owner's approval, have authority to order minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time, which are not inconsistent with the intent of the Contract Documents. In conjunction with each Change, the Project Architect shall review the cost and time estimate and recommend to the Owner whether the proposal is appropriate. The Project Architect shall prepare revised Contract Drawings, where appropriate, to illustrate and document the work required by the Change.

8.2.14 All proposed changes to drawings, plans and specifications, regardless of how initiated, shall be fully described in the document depicting them as to scope of work added, removed, or changed. The original copies of the Construction Documents may be revised to show such changes, provided that all such revisions shall be separately recorded on media acceptable to Owner, including, without limitation, CADD. Such revisions shall be clearly indicated and a current revision date shall be included on the reproducible copy. Changes to the specifications shall be made by consecutively numbered and dated revision addenda. All changes to design documents or specifications will be identified by date of change, revision number and other customary identification references. Areas changed on drawings will be "clouded" to show each change. Clouds designating previous changes will be removed so that only the most recent changes will be clouded.

8.2.15 The Project Architect shall participate in concealed space inspections, systems start-up inspections, Substantial Completion and Pre-Final Inspections to determine the Dates of Substantial

Completion, and Final Acceptance. The Project Architect shall also participate in the Owner's final walk thru inspection one year after Final Completion.

8.2.16 The Project Architect shall review, for conformance with the Contract Documents, Design/Build Contractor's submission of guarantees and warranties.

8.2.17 The Project Architect shall assist the Owner in checking as-built drawings during the course of the Work in association with certifying progress payments and shall review final as-built documents for completeness and compliance with Contract requirements.

8.2.18 The Design /Build Contractor shall provide "as-built" record drawings as described in the Owner's Project Closeout of the specifications.

8.2.19 The Project Architect shall prepare and administer the construction punch list until all punch list items have been resolved to the Owner's satisfaction.

8.2.20 The Project Architect shall review Design/Build Contractor's submission of operating and maintenance instructions, and all manuals, brochures, drawings, and other close-out documentation furnished by the Design/Build Contractor for conformance with the requirements of the construction documents.

ARTICLE 9 OWNER'S RESPONSIBILITIES

9.1 The Owner will provide the Design Criteria information for the Project.

9.2 The Owner will provide a preliminary project budget and schedule for the Project. The budget will include the Construction Cost Limitation, contingencies for changes in the Work during construction, and other costs which are the responsibility of the Owner. The schedule will set forth the Owner's plan for milestone dates (if any available) and completion of the Project.

9.3 The Owner will designate a representative authorized to act in the Owner's behalf with respect to the Project. The Owner's Designated Representative shall examine the documents submitted by the Design/Build Contractor and shall render decisions pertaining thereto.

9.4 The Owner, at Owner's cost, will secure the services of surveyors, soils engineers, existing facility surveys, testing and balancing, hazardous materials surveys, laboratory testing, environmental or other special consultants to develop such additional information as may be necessary for the design of the project. The Design/Build Contractor shall provide the Owner with parameters for inclusion in the Owner's instructions to such providers.

9.5 The Owner shall arrange and pay for materials, structural, mechanical, chemical and other laboratory tests as required by the Construction Documents.

9.6 The Owner shall furnish all legal, accounting, auditing and insurance counseling services for itself as may be necessary for the Project.

9.7 The Owner shall examine the design documents submitted by the Design/Build Contractor and provide comments concerning corrections or amendments to such documents in writing to the Design/Build Contractor. The Owner may obtain independent review of the design documents by its own Design Consultant. The Owner may require the Design/Build Contractor to halt production during design review.

9.8 The Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Design/Build Contractor's services and of the Work.

9.9 The Owner may designate one or more Construction Inspectors of its own who shall be given access to the Work as requested or needed. The provision of such Inspectors by Owner shall not reduce or lessen in any respect Design/Build Contractor's responsibilities for the Work. Design/Build Contractor shall remain fully and solely responsible for the drawings, specifications, and other contract documents furnished or provided by Design/Build Contractor, and for constructing the Project in strict accordance with the Contract Documents.

9.10 Owner shall have the right to reject any defective Work on the Project. Should Design/Build Contractor refuse or neglect to correct any such Work within a reasonable time after notice, Owner may have the Work corrected and recover all expenses incurred from Design/Build Contractor on demand.

ARTICLE 10 OWNERSHIP AND USE OF DOCUMENTS

10.1 Drawings, specifications and other documents furnished by the Design/Build Contractor or Project Architect are instruments of service and shall remain their property whether the Project for which they are made is executed or not. The Owner shall be permitted to retain copies, including reproducible copies and CADD copies, of the drawings, specifications and other documents for information and reference in connection with the Owner's use and occupancy of the Project. Design/Build Contractor and Project Architect hereby grant Owner an irrevocable, fully paid-up, perpetual license and right to use the drawings, specifications and other documents furnished, including the originals thereof, and the ideas and designs contained therein, for any purpose regardless of whether their services for the Project are completed, modified or terminated. This license shall survive the termination of this Agreement. If this Agreement is terminated, Design/Build Contractor and Project Architect hereby expressly consent to the employment by Owner of a substitute architect to complete the Design Services under this Agreement, with the substitute architect having all of the rights and privileges of the original Project Architect.

10.2 Submission or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Design/Build Contractor's or Project Architect's rights.

ARTICLE 11 TIME

11.1 Unless otherwise approved, the Owner and the Design/Build Contractor shall perform their respective obligations under the Contract as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Work.

11.2 Time limits stated in the Contract Documents are of the essence of this Agreement. The Design/Build Contractor shall be responsible for schedule development, updating and reporting throughout the entire Project, including Pre-Construction Phase Services and Construction Phase Services. The Design/Build Contractor shall comply in all regards with requirements set forth in the Owner's Project Planning and Scheduling Specifications.

ARTICLE 12 PAYMENTS

12.1 General Requirements

12.1.1 Each schedule of values submitted with an Application for Payment shall include the originally established value for each work classification line item or subcontract and shall identify, by the addition of new data rows immediately below the previously accepted data rows, any revisions to the costs or cost estimates for each work classification or subcontract. The format and tracking method of the original schedule of values and of all updates shall be subject to approval by the Owner. At all times, the estimated cost of performing the uncompleted and unpaid portion of the Work, including Design/Build Contractor's overhead and profit, shall not exceed the unpaid balance of the Guaranteed Maximum Price, less retainage on Work previously completed.

12.1.2 Pre-Construction Phase expenses of transportation and overnight living expenses in connection with Owner approved out-of-state travel shall be identified separately in each Application for Payment. All travel must be approved in writing and in advance by Owner to be eligible for payment. Allowable expenses are limited to the reimbursable amounts described Article 24, Compensation.

12.1.3 Retainage as specified in the Uniform General and Supplementary Conditions will be withheld from the entire amount approved in an Application for Payment including the Cost of the Work, General Conditions, and the Design/Build Contractor's Construction Phase Fee. Retainage will not be withheld from payments for Pre-Construction Phase Services.

12.1.4 Owner is a governmental entity and materials and services utilized in the construction of the Project may be exempted from state and local taxes. Design/Build Contractor is responsible for taking full advantage of all tax exemptions applicable to the Project. Owner will deduct from the Applications for Payment and from the Request for Final Payment any taxes paid for materials or services that were entitled to tax exemption.

12.1.5 This Agreement is subject to the assessment of liquidated damages against Design/Build Contractor. Amounts assessed as liquidated damages, and other amounts to which Owner is entitled by way of setoff or recovery, may be deducted from any moneys due Design/Build Contractor.

12.1.6 Owner shall have the right to withhold from payments due Design/Build Contractor such sums as are necessary to protect Owner against any loss or damage which may result from negligence by Design/Build Contractor or any Subcontractor or failure of Design/Build Contractor or any Subcontractor to perform their obligations under this Agreement.

12.1.7 Notwithstanding any other contractual provision to the contrary, Owner shall not be obligated to make any payment, to Design/Build Contractor under any of the following circumstances:

12.1.7.1 Design/Build Contractor persistently fails to perform the Work in accordance with the Contract Documents or is otherwise in material breach or default under this Agreement;

12.1.7.2 The payment request includes services that are not performed in accordance with the Construction Documents; provided, however, Owner shall pay for those services performed in accordance with the Construction Documents;

12.1.7.3 The payment request has insufficient documentation to support the amount of payment requested for Project costs; provided, however, Owner shall pay for allowable Project costs for which there is sufficient documentation;

12.1.7.4 Design/Build Contractor is in violation of the Prevailing Wage requirements or has failed to make payments promptly to Subcontractors or other third parties used in connection with any services or materials for which Owner has made payment to Design/Build Contractor;

12.1.7.5 If Owner, in its good faith judgment, determines that the unpaid balance of the GMP is not sufficient to complete the Work in accordance with the Construction Documents;

12.1.7.6 Design/Build Contractor has persistently failed to complete the Work in accordance with the CPM Schedule requirements or if Owner, in its good faith judgment, determines that the remaining Work will not be completed within the contract time;

12.1.7.7 Design/Build Contractor is insolvent, makes a general assignment for the benefit of its creditors or otherwise seeks protection under the laws and regulations of the bankruptcy courts; or

12.1.7.8 Design/Build Contractor fails to obtain, maintain or renew insurance coverage as required by the Agreement.

12.1.8 No partial payment made by the Owner shall constitute, or be construed to constitute, final acceptance or approval of the work to which the partial payment relates or of the documentation provided in support of the partial payment. No partial payment made by the Owner shall constitute, or be construed to constitute, a release of Design/Build Contractor from any of its obligations or liabilities with respect to the Work.

12.1.9 Owner shall have the right to verify and audit the details of Design/Build Contractor's billings, certificates, accountings, cost data, and statements, either before or after payment, by (1) inspecting the books and records of Design/Build Contractor during normal business hours; (2) examining any reports with respect to this Project; (3) interviewing Design/Build Contractor's employees; (4) visiting the Project site; and (5) any other reasonable action. Design/Build Contractor's records shall be kept on the basis of generally accepted accounting principles in accordance with cost accounting standards issued by the Federal Office of Management and Budget Cost Accounting Standards Board and organized by each Application for Payment period.

12.2 Pre-Construction Phase Payments

12.2.1 Payments for Pre-Construction Phase Services shall be made monthly based on the percentage completion of the Design/Build Contractor's required services for each stage of development of the Construction Documents and the procurement of Subcontractor bids/proposals in accordance with the schedule in Article 24, Compensation.

12.2.2 All payment requests for Pre-Construction Phase Services shall be submitted on an Application for Payment and Schedule of Values approved by the Owner and includes all required attachments identifying payments to Project Architect, Historically Underutilized Businesses and to all Subcontractors.

12.3 Construction Phase Payments

12.3.1 Payments for Construction Phase Services shall be made as provided for in the Uniform General and Supplementary Conditions and the Owner's Specifications. All payment requests shall be submitted on an Application for Payment with a schedule of values approved by the Owner and include all required attachments identifying payments to Historically Underutilized Businesses and to all Subcontractors. Payment for approved Change Orders shall be made as part of the Design/Build Contractor's Application for Payment. Failure to submit "HUB Progress Assessment Report

Documentations of Subcontracted Work” form with each Application for Payment Application will cause rejection of the application by the Owner and its return to the Design/Build Contractor.

12.3.2 The Design/Build Contractor’s Construction Phase Fee and Construction Contract Administration Fee shall each be shown as separate line items on the Schedule of Values. Payment of the Design/Build Contractor’s Construction Phase Fee shall be made with each Application for Payment in the same proportion as the percentage completion of the Cost of the Work of the Project.

12.3.3 For General Conditions Costs, Design/Build Contractor’s Application for Payment shall include complete copies of all receipts, invoices with check vouchers or other evidence of payment, payrolls, and any and all other evidence which Owner or its designated representatives shall deem necessary to support the amount requested. This information is subject to audit and payment for these costs is dependant on Owner’s receipt of accurate and complete records of all transactions. Owner may reduce the amount requested for General Conditions Costs in any Application for Payment if the Owner, in its good faith judgment, determines that the unpaid balance of the General Conditions line item in the schedule of values is not sufficient to fund necessary General Conditions Costs for the remainder of the Project.

12.3.4 Pay requests for Subcontractor work included in an Application for Payment shall not exceed the percentage of Work allocated to that Subcontractor for each respective schedule of values work classification which has been actually completed and shall not exceed the total value of the subcontract amount.

12.3.5 Design/Build Contractor’s Request for Final Payment shall not be made until all Work is completed and all requirements of the Contract Documents have been satisfied including, without limitation: delivery to Owner of a complete release of all liens and claims arising out of the Work; written consent of surety to release of final payment; and an affidavit that, to the best of Design/Build Contractor information, knowledge and belief, the release includes and covers all materials and services over which Design/Build Contractor has control and for which a lien could be filed and that all known debts and claims arising from the Project have been satisfied. Alternatively, Design/Build Contractor may, at its sole expense, furnish a bond satisfactory to Owner to indemnify Owner against any lien arising out of the Work. If any lien is asserted against Owner after all payments are made, Design/Build Contractor shall reimburse Owner for all damages and costs Owner may incur in discharging such lien, including all costs or court and reasonable attorneys’ fees, and Owner shall retain all other remedies available to it at law and in equity.

12.3.6 Owner shall have no obligation to make Final Payment until a complete and final accounting of the Direct Construction Cost has been submitted by Design/Build Contractor and has been audited and verified by Owner or Owner’s representatives.

12.3.7 Nothing contained herein shall require the Owner to pay the Design/Build Contractor an aggregate amount for Construction Phase Services that exceeds the Guaranteed Maximum Price or to make any payment if, in the Owner’s belief, the cost to complete the Work would exceed the Guaranteed Maximum Price less previous payments to Design/Build Contractor. The total amount of all Construction Phase payments to the Design/Build Contractor shall not exceed the actual verified Direct Construction Cost for the Project plus the Design/Build Contractor’s Construction Phase Fee.

12.3.8 The acceptance by Design/Build Contractor or Design/Build Contractor's successors of Final Payment under this Agreement, shall constitute a full and complete release of Owner from any and all claims, demands, and causes of action whatsoever that Design/Build Contractor, its Subcontractors, suppliers and consultants or any of their successors or assigns have or may have against Owner arising

from the Project or any provision(s) of this Agreement except for those previously made in writing and identified by Design/Build Contractor as unsettled at the time of the Request for Final Payment.

ARTICLE 13 DIRECT CONSTRUCTION COST

Direct Construction Cost means the sum of the amounts that the Design/Build Contractor actually and necessarily incurs constructing the Work in strict compliance with the Construction Documents. Direct Construction Cost includes only the cost categories set forth in this Article and does not include the Pre-Construction Phase Fees or the Construction Phase Fees unless specifically noted. References in the Uniform General and Supplementary Conditions to adjustments in “cost” or “costs” mean the Direct Construction Cost.

13.1 General Conditions Costs

13.1.1 Design/Build Contractor is entitled to receive payment for the actual cost of the allowable General Conditions items incurred after receipt of a Notice to Proceed with Construction from the Owner through Substantial Completion of the Project. Design/Build Contractor is not entitled to reimbursement for General Conditions Costs incurred before receipt of the Notice to Proceed. General Conditions Costs incurred after Substantial Completion must be approved in advance by the Owner.

13.1.2 Allowable General Conditions items are identified below and further detailed in the attached Exhibit. These items shall be included in the General Conditions cost amount shown as a line item in the Guaranteed Maximum Price Proposal and as detailed on the schedule of values. Items not specifically included below or in the exhibit will not be allowed as a General Condition costs.

13.1.3 Personnel Costs. The actual Worker Wage Rate for Design/Build Contractor’s hourly employees and the Monthly Salary Rate of Design/Build Contractor’s salaried personnel who are identified to the Owner in advance and in writing but only for the time actually stationed at the Project site with the Owner’s prior consent. The Project Manager’s Monthly Salary Rate may be included in the General Conditions Costs only when the Project Manager is directly managing the Project. All personnel costs are subject to audit to determine the actual cost of the wages, salaries and allowable employer contributions incurred by the Design/Build Contractor for services performed for the Project.

13.1.4 Costs of long-distance telephone calls, telegrams, postage, package delivery and courier service, hardwired telephone service, and reasonable expenses of Design/Build Contractor’s jobsite office if incurred at the Project site and directly and solely in support of the Work.

13.1.5 Costs of materials, supplies, temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Project site by Design/Build Contractor, if such items are fully consumed in the construction of the Work and are included in the list of allowable General Condition Line Items. Cost for used items shall be based on fair market value and may include transportation, installation, and minor maintenance costs, and removal costs. If an item is not fully consumed in the construction of the Work, its cost shall be based on actual cost of the item less its fair market salvage value.

13.1.6 Rental charges for temporary facilities, equipment, and hand tools (except those customarily owned by construction workers), supplied to the Project site by Design/Build Contractor, provided they are included in the list of allowable General Condition Line Items and Owner has approved the rentals and the rental rates in advance and in writing. Rental rates may include transportation, installation, and minor maintenance costs, and removal costs. For tools, machinery or construction equipment rented

directly from the Design/Build Contractor, the rental rate, including freight and delivery costs and all operating expenses except labor, shall be approved in advance by the Owner and shall be in accordance with the "Rental Rate Blue Book for Construction Mobilization Costs" published by Primedia, latest edition, but no higher than the prevailing competitive rates for rental of similar equipment in the Project vicinity.

13.1.7 The aggregate rental cost of any item charged to Owner shall not exceed fifty percent (50%) of the purchase price and maintenance cost of the item. If the anticipated aggregate rental cost for an item of equipment exceeds fifty percent (50%) of the purchase and maintenance price, Design/Build Contractor shall purchase the equipment and turn it over to Owner upon final completion of the Work or, at Owner's option, credit the Owner with the fair market resale value of the item.

13.1.8 Permit and inspection fees that are not subject to exemption.

13.1.9 Premiums for insurance and bonds to the extent directly attributable to this Project.

13.1.10 Governmental sales and use taxes directly attributable to the General Conditions Items that are not subject to exemption. Taxes paid on materials or services that were entitled to tax exemption will not be reimbursed by Owner as Direct Construction Costs.

13.2 Cost of the Work

13.2.1 Design/Build Contractor is entitled to receive payment for the actual cost of the allowable Cost of the Work items incurred after receipt of Owner's written authorization to commence the Construction Phase Work through Final Completion of the Project. Design/Build Contractor is not entitled to reimbursement for Cost of the Work costs incurred before receipt of Owner's written authorization.

13.2.2 Cost of the Work includes the following:

13.2.2.1 Costs of materials and equipment purchased directly by the Design/Build Contractor and incorporated into or consumed in the performance of the Work, including transportation charges, and a reasonable and customary allowance for waste and spoilage. Payment for stored materials is subject to the Uniform General and Supplementary Conditions.

13.2.2.2 Costs of site debris removal and disposal in accordance with all applicable laws and regulations if not otherwise included in General Conditions.

13.2.2.3 Payments made to Subcontractors and their vendors or suppliers by Design/Build Contractor for the subcontract work in accordance with the Construction Documents and the requirements of the subcontracts with the Subcontractors, vendors or suppliers.

13.2.2.4 Payments earned by Design/Build Contractor for self-performed subcontract work, other than General Conditions work, in accordance with the Construction Documents and the terms of this Agreement and approved by the Owner.

13.2.2.5 Testing fees pursuant to the Uniform General and Supplementary Conditions.

13.2.2.6 Intellectual property royalties and licenses for items specifically required by the Construction Documents which are, or will be, incorporated into the Work.

13.3 Design/Build Contractor's Contingency

13.3.1 The Guaranteed Maximum Price Proposal may include a Design/Build Contractor's Contingency amount to be used to fund increases in the Direct Construction Cost of the Project identified through the refinement, development and completion of the Construction Documents or procurement of the Work.

13.3.2 Any re-allocation of funds from the Design/Build Contractor's Contingency to cover increases in the Direct Construction Cost must be approved by the Owner in advance and in writing, such approval not to be unreasonably withheld. In written requests to use the Design/Build Contractor's Contingency, the Design/Build Contractor shall provide detailed documentation of the scope of work affected and the bases for any increases in costs.

13.3.3 The Design/Build Contractor's Contingency is specifically not to be used for Contractor rework, unforeseen conditions, cost increases caused by lack of coordination or communication with the Project Architect or trade Subcontractors, or to correct errors or omissions in the Construction Documents.

13.3.4 As the Construction Documents are finalized and the Buyout of the Work progresses the Design/Build Contractor's Contingency amount shall be reduced by mutual agreement of Owner and Contractor. Any balance in the Design/Build Contractor's Contingency fund remaining at the end of the Project shall be returned to the Owner as savings.

ARTICLE 14 CONSTRUCTION PHASE FEE

The Design/Build Contractor's Construction Phase Fee is the maximum amount payable to the Design/Build Contractor for any cost or profit expectation incurred in the performance of the Work that is not specifically identified as being eligible for reimbursement by the Owner elsewhere in the Agreement. References in the Uniform General and Supplementary Conditions to Design/Build Contractor's "overhead" and "profit" mean the Design/Build Contractor's Construction Phase Fee. The Construction Phase Fee includes, but is not limited to, the following items.

14.1 All profit, profit expectations and costs associated with profit sharing plans such as personnel bonuses, incentives, and rewards; company stock options; or any other like expenses of the Design/Build Contractor.

14.2 Salaries of Design/Build Contractor's officers, project manager(s), estimators, schedulers and all other employees not stationed at the Project site and performing services directly related to the Project.

14.3 Any and all overhead, labor or general expenses of any kind unless specifically allowed under General Conditions. These costs include, but are limited to: costs for the purchase, lease, rental of or allowance for vehicles and their maintenance, radios/communication equipment, jobsite computers and other business equipment, and specialized telephone systems, including cellular/digital phones; trade or professional association dues; cost for relocation of any of the Design/Build Contractor's personnel; and travel, per diem and subsistence expense of Design/Build Contractor, its officers or employees except as specifically allowed under General Conditions.

14.4 All costs associated with Construction Contract Administration Services including those provided by the Project Architect or other consultants.

14.5 Any financial costs incurred by the Design/Build Contractor including the cost of capital or interest on capital, regardless of whether it is related to the Project, and costs associated with construction warranty reserves.

14.6 Any legal, accounting, professional or other similar costs incurred by the Design/Build Contractor, including costs incurred in connection with the prosecution or defense any dispute, mediation, arbitration, litigation or other such proceeding related to or arising from the Project.

14.7 Any Federal and/or State income and franchise taxes paid by Design/Build Contractor. Any fines, penalties, sanctions or other levies assessed by any governmental body against Design/Build Contractor.

14.8 Any cost arising out of a breach of this Contract or the fault, failure or negligence of Design/Build Contractor, its Subcontractors, or any person or entity for whom they may be liable. These costs include, without limitation: costs to remedy defective, rejected, or nonconforming work, materials or equipment; costs due to failure to coordinate the Work or meet CPM Schedule milestones; costs arising from Design/Build Contractor's contractual indemnification obligations; liquidated or actual damages imposed by Owner for failure to complete the Work within the Contract Time; costs due to the bankruptcy or insolvency of any Subcontractor; and damage or losses to persons or property.

14.9 The cost of any and all insurance deductibles payable by the Design/Build Contractor and costs due to the failure of Design/Build Contractor or any Subcontractor to procure and maintain insurance as and to the extent required by the Contract Documents.

14.10 Any and all costs that would cause the Guaranteed Maximum Price, minus the amounts allocated in the GMP for Owner's Contingency, to be exceeded.

14.11 Any and all costs not specifically identified as an element of the Direct Construction Cost.

ARTICLE 15 CONTRACT SAVINGS, ALLOWANCES, REBATES AND REFUNDS

15.1 If the allowable, final, verified, audited amount of the cost of General Conditions, Cost of the Work, Allowance items and Design/Build Contractor's Contingency is less than the amount established for each of those categories in the originally approved Guaranteed Maximum Price Proposal, the entire difference shall be credited to the Owner as savings and the final contract amount shall be adjusted accordingly. When buyout of the Project is at least 85% complete, the Owner may recognize any savings achieved to that point by issuing a deductive change order for the saved amount.

15.2 Items to be provided for through Owner's Special Cash Allowances shall be clearly identified in the Construction Documents and the Guaranteed Maximum Price proposal. The Cost of the Work included in the Allowances shall be determined in accordance with the Uniform General and Supplementary Conditions. Any claim by the Design/Build Contractor for an adjustment to an Allowance amount included in the Guaranteed Maximum Price based on the cost of Allowance work shall be made within a reasonable time after the issuance of the Construction Documents for the Allowance items. The Design/Build Contractor shall not be entitled to any increase in its Construction Phase Fee for increases to Allowance amounts that were initially based on estimates provided by the Design/Build Contractor. Owner shall be entitled to retain 100% of the balance of any unused Allowance amount.

15.3 The Owner shall be entitled to deduct amounts for the following items from any Application for Payment or from the Request for Final Payment submitted by the Design/Build Contractor:

15.3.1 The fair market value of all tools, surplus materials, construction equipment, and temporary structures that were charged to the Work (other than rental items) but were not consumed during construction or retained by the Owner. Upon completion of the Work or when no longer required, Design/Build Contractor shall either credit the Owner for the fair market value (as approved by the Owner) for all surplus tools, construction equipment and materials retained by the Design/Build Contractor or, at Owner's option, use commercially reasonable efforts to sell the surplus tools, construction equipment and materials for the highest available price and credit the proceeds to the Owner's account.

15.3.2 Discounts earned by the Design/Build Contractor through advance or prompt payments funded by the Owner. The Design/Build Contractor shall obtain all possible trade and time discounts on bills for material furnished, and shall pay bills within the highest discount periods. The Design/Build Contractor shall purchase materials for the Project in quantities that provide the most advantageous prices to the Owner.

15.3.3 Rebates, discounts, or commissions obtained by the Design/Build Contractor from material suppliers or Subcontractors, together with all other refunds, returns, or credits received for materials, bond premiums, insurance and sales taxes.

15.3.4 Deposits made by Owner and forfeited due to the fault of the Design/Build Contractor.

15.3.5 Balances remaining on any Allowances, the Design/Build Contractor's Contingency, or any other identified contract savings.

15.4 Owner shall be entitled to recover any savings realized between the Guaranteed Maximum Price and the buyout price for subcontracting work, provided however, that Design/Build Contractor may use such savings to offset other buyout packages that exceed the amounts identified in the initial Guaranteed Maximum Price, so long as the total Cost of Work proposed in the Guaranteed Maximum Price does not increase.

15.5 Owner shall be entitled to recognize and recover 100% of any savings identified by cost review or audit at any time, before or after Final Payment.

ARTICLE 16 PRE-EXISTING CONDITIONS; DESIGN ERRORS AND OMMISIONS

16.1 The Design/Build Contractor acknowledges that it was afforded unrestricted access to the existing improvements and conditions on the Project site and it has thoroughly investigated those conditions. The results of Design/Build Contractor's investigation have been taken into account in establishing the Guaranteed Maximum Price of the Work. Therefore, Design/Build Contractor shall not make or be entitled to any claim for any adjustment to the Contract Time or the Contract Sum for Design Phase Services or for Construction Phase Services arising from Project conditions that Design/Build Contractor discovered or, in the exercise of reasonable care, should have discovered in Design/Build Contractor's investigation.

16.2 Before proceeding with the Work, the Design/Build Contractor shall review the drawings, specifications and other Construction Documents and notify the Owner of any errors, omissions or discrepancies in the documents of which it is aware. Design/Build Contractor is responsible for discovering and correcting any error, omission, conflict, inconsistency or lack of clarity, in the Construction Documents prepared by Design/Build Contractor or its Project Architect. Design/Build

Contractor shall be responsible for all costs, including the cost of redoing or remedying the Work and time delays, resulting from any error or omission in the Contract Documents.

ARTICLE 17 BONDS AND INSURANCE

17.1 Within ten (10) days of the Effective Date of this Agreement, Design/Build Contractor shall provide a security bond in a form acceptable to the Owner in the amount of 5% of the Construction Cost Limitation. The surety for a security bond shall meet the same requirements as set forth for payment and performance bonds.

17.2 Within ten (10) days of acceptance by the Owner of a Guaranteed Maximum Price Proposal, Design/Build Contractor shall provide performance and payment bonds on forms prescribed by Owner, in accordance with the requirements set forth in the Uniform General and Supplementary Conditions. The penal sum of the payment and performance bonds shall be equal to the Guaranteed Maximum Price or, if a Guaranteed Maximum Price has not been established, the penal sum of the bonds shall be equal to the Owner's Construction Cost Limitation for the entire Project. When a Guaranteed Maximum Price is established, Design/Build Contractor shall provide revised performance and payment bonds in the amount of the GMP. If construction is phased or staged with different Guaranteed Maximum Prices established at different times, the penal sum of the bonds shall be increased at the start of each stage or phase based on the cumulative total value of all Guaranteed Maximum Prices in effect.

17.3 The Design/Build Contractor shall carry professional liability and errors and omissions insurance, covering the design services provided under this Agreement, as is acceptable to and approved by the Owner. Such insurance shall have minimum policy limits of One Million Dollars (\$1,000,000) in the aggregate and One Million Dollars (\$1,000,000) per claim. The fees for such insurance will be at the expense of the Design/Build Contractor. The Design/Build Contractor shall maintain such insurance throughout the course of the Work and for a minimum of one (1) year following Substantial Completion of the Work. A Certificate of Insurance indicating the expiration date of the Design/Build Contractor's professional liability insurance is required. No policy providing such insurance shall be cancelled without thirty (30) days prior written notice to the Owner. If Design/Build Contractor is performing the Design Services, then the professional liability insurance shall be in Design/Build Contractor's name and shall include a Design/Build Endorsement in form acceptable to Owner. If Design/Build Contractor is furnishing the Design Services through others, then the professional liability policy or policies shall be in the name of the respective professionals performing such services, which shall include all architects and engineers furnishing services for the Project, and Design/Build Contractor shall also provide a Contractor's Errors and Omissions policy naming it as the insured. If Design/Build Contractor is performing some design services and furnishing others, then the insurance policies shall be provided covering all design entities in accordance with the previously stated requirements.

17.4 Prior to commencing any work under the Agreement, the following insurance coverages shall be provided by the Design/Build Contractor:

17.4.1 **Pre-Construction Phase:** Design/Build Contractor shall provide evidence as required by this Article that coverages for Professional Liability and Errors and Omissions; Contractor's Errors and Omissions; Employer's Liability, Workers' Compensation, Commercial General Liability, and Automobile Liability, as set forth in the Uniform General and Supplementary Conditions, are in full force.

17.4.2 **Construction Phase:** In addition to those coverages required for the Pre-Construction Phase, Builder's Risk and Owner's Protective Liability, as set forth in the Uniform General and

Supplementary Conditions, shall also be provided. The Builder's Risk policy shall include coverage for loss or damage caused by certified acts of terrorism as defined in the Terrorism Risk Insurance Act.

17.5 In the event that the Owner implements an Owner Controlled Insurance Program (OCIP), the Design/Build Contractor will be required to provide insurance coverages as listed below:

17.5.1 **Pre-Construction Phase:** Provide those coverages specified above for the Pre-Construction Phase. OCIP does not provide coverages during the Design Phase.

17.5.2 **Construction Phase:** Provide coverages for Professional Liability and Errors and Omissions; Contractor's Errors and Omissions; Comprehensive Automobile Liability, Owners' Protective Liability and Builder's Risk, as set forth in the Uniform General and Supplementary Conditions.

17.5.3 Refer to the Owner's Project Insurance (OCIP) Specification for a complete listing of coverage's provided by the OCIP.

17.6 The Owner shall not approve payment for the Design/Build Contractor's additional general liability insurance, builder's risk or any other form of insurance coverage in excess of the required coverage amounts specified in this Agreement and in Article 6.1 of the Uniform General and Supplementary Conditions. The Additional costs for coverages in addition to those coverages specifically required by this contract shall be the sole responsibility of the Design/Build Contractor.

ARTICLE 18 DISPUTE RESOLUTION

18.1 To the extent that Chapter 2260, *Texas Government Code*, is applicable to this Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by Owner and Design/Build Contractor to attempt to resolve any claim for breach of contract made by Design/Build Contractor that cannot be resolved in the ordinary course of business.

18.2 The parties hereto specifically agree that neither the execution of this Agreement by Owner nor any other conduct, action or inaction of any representative of Owner relating to this Agreement constitutes or is intended to constitute a waiver of Owner's or the state's sovereign immunity to suit; and that Owner has not waived its right to seek redress in the courts. Any legal action arising out of this agreement must be brought in the state district courts of Hidalgo County, Texas.

ARTICLE 19 PROJECT TERMINATION AND SUSPENSION

19.1 This Agreement may be terminated during Design Phase Services by either party upon fifteen (15) days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination, and such failure to perform is not cured within such fifteen (15) day period.

19.2 This agreement may be terminated by the Owner during Design Phase Services upon at least three (3) days written notice to the Design/Build Contractor in the event that the Project is to be temporarily or permanently abandoned.

19.3 At its sole discretion and option, the Owner may, for cause or for convenience, terminate this Agreement at any time.

19.4 In the event of termination that is not the fault of the Design/Build Contractor, the Design/Build Contractor shall be entitled to compensation for all services performed to the termination date together with Reimbursable Expenses then due provided, however, Design/Build Contractor has delivered to Owner such statements, accounts, reports and other materials as required by below together with all reports, documents and other materials prepared by Project Architect prior to termination. Upon such payment, Owner shall have no further obligation to the Design/Build Contractor.

19.5 Termination of this Agreement shall not relieve Design/Build Contractor or any of its employees, subcontractors, or consultants of liability for violations of this Agreement or for any act or omission, or negligence, of Design/Build Contractor. In the event of a termination, Design/Build Contractor hereby consents to employment by Owner of a substitute Design/Build Contractor to complete the services under this Agreement, with the substitute Design/Build Contractor having all rights and privileges of the original Design/Build Contractor of the Project.

19.6 As of the date of any termination of this Agreement, Design/Build Contractor shall furnish to Owner all statements, accounts, reports and other materials as are required hereunder or as have been prepared by Design/Build Contractor in connection with Design/Build Contractor's responsibilities hereunder. Owner shall have the right to use the ideas and designs therein contained for the completion of the services described by this Agreement, and for completion of the Project, or otherwise.

19.7 If the Project is suspended or abandoned in whole or in part for more than three months, the Design/Build Contractor shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due. If the Project is resumed after being suspended for more than three months, the Design/Build Contractor's compensation for Pre-Construction Phase Services shall be equitably adjusted if, in the Owner's reasonable opinion, such adjustment is warranted.

ARTICLE 20 INDEMNITY

20.1 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DESIGN/BUILD CONTRACTOR AND ITS AGENTS, PARTNERS, EMPLOYEES, AND CONSULTANTS (COLLECTIVELY "INDEMNITORS") SHALL AND DO AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY OWNER, AND HOLD HARMLESS THE OWNER, ITS AFFILIATED ENTERPRISES, REPRESENTATIVES OF THE OWNER, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMISSIONERS, PARTNERS, EMPLOYEES AND AGENTS (COLLECTIVELY "INDEMNITEES") FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES, INCLUDING ATTORNEY FEES, OF ANY NATURE, KIND, OR DESCRIPTION (COLLECTIVELY "LIABILITIES") OF ANY PERSON OR ENTITY WHOMSOEVER ARISING OUT OF, CAUSED BY, OR RESULTING FROM THE PERFORMANCE OF THE SERVICES OR ANY PART THEREOF WHICH ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF THE DESIGN/BUILD CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY IT OR ANYONE FOR WHOSE ACTS IT MAY BE LIABLE EVEN IF IT IS CAUSED IN PART BY THE NEGLIGENCE OR OMISSION OF ANY INDEMNITEE, SO LONG AS IT IS NOT CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE. IN THE EVENT MORE THAN ONE OF THE INDEMNITORS ARE CONNECTED WITH AN ACCIDENT OR OCCURRENCE COVERED BY THIS INDEMNIFICATION, THEN EACH OF SUCH INDEMNITORS SHALL BE JOINTLY AND SEVERALLY RESPONSIBLE TO THE INDEMNITEES FOR INDEMNIFICATION AND THE ULTIMATE RESPONSIBILITY AMONG SUCH INDEMNITORS FOR THE LOSS AND EXPENSE OF ANY SUCH INDEMNIFICATION SHALL BE SETTLED BY SEPARATE PROCEEDINGS AND WITHOUT JEOPARDY TO ANY INDEMNITEE. THE INDEMNITY PROVIDED FOR IN THIS

ARTICLE SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE NEGLIGENCE OF OWNER, ITS OFFICERS OR EMPLOYEES OR ITS SEPARATE CONTRACTORS OR ASSIGNED CONTRACTORS TO THE EXTENT THAT SUCH NEGLIGENCE CAUSES PERSONAL INJURY, DEATH OR PROPERTY DAMAGE. THE PROVISIONS OF THIS ARTICLE SHALL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH OWNER OR ANY OF THE INDEMNITEES HAS BY LAW.

20.2 DESIGN/BUILD CONTRACTOR SHALL PROTECT AND INDEMNIFY THE OWNER FROM AND AGAINST ALL CLAIMS, DAMAGES, JUDGMENTS AND LOSS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY UNITED STATES PATENT, OR COPYRIGHT, ARISING BY OR OUT OF ANY OF THE WORK PERFORMED HEREUNDER OR THE USE BY DESIGN/BUILD CONTRACTOR, OR BY OWNER AT THE DIRECTION OF DESIGN/BUILD CONTRACTOR, OF ANY ARTICLE OR MATERIAL, PROVIDED THAT UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR PATENT OR COPYRIGHT INFRINGEMENT, OWNER SHALL PROMPTLY NOTIFY DESIGN/BUILD CONTRACTOR AND DESIGN/BUILD CONTRACTOR SHALL BE GIVEN FULL OPPORTUNITY TO NEGOTIATE A SETTLEMENT. DESIGN/BUILD CONTRACTOR DOES NOT WARRANT AGAINST INFRINGEMENT BY REASON OF OWNER'S OR DESIGN CONSULTANT'S DESIGN OF ARTICLES OR THE USE THEREOF IN COMBINATION WITH OTHER MATERIALS OR IN THE OPERATION OF ANY PROCESS. IN THE EVENT OF LITIGATION, OWNER AGREES TO COOPERATE REASONABLY WITH DESIGN/BUILD CONTRACTOR AND PARTIES SHALL BE ENTITLED, IN CONNECTION WITH ANY SUCH LITIGATION, TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

20.3 The indemnities contained herein shall survive the termination of this Agreement for any reason whatsoever.

ARTICLE 21 SPECIAL WARRANTIES

21.1 Owner and Design/Build Contractor agree and acknowledge that Owner is entering into this Agreement in reliance on Design/Build Contractor's represented expertise and ability to provide design/build services. Design/Build Contractor agrees to use its best efforts, skill, judgment, and abilities to perform its obligations and to further the interests of Owner in accordance with Owner's requirements and procedures.

21.2 The Design/Build Contractor represents, and agrees that it will perform its services in accordance with the usual and customary standards of Design/Build Contractor's profession or business and in compliance with all applicable national, federal, state, municipal, laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the Project. Design/Build Contractor agrees to bear the full cost of correcting Design/Build Contractor's negligent or improper work and services, those of its consultants, and any harm caused by the negligent or improper work or services.

21.3 The Design/Build Contractor's duties shall not be diminished by any approval by Owner nor shall the Design/Build Contractor be released from any liability by any approval by Owner, it being understood that the Owner is ultimately relying upon the Design/Build Contractor's skill and knowledge in performing the services required hereunder.

21.4 The Design/Build Contractor represents and agrees that all persons connected with the Design/Build Contractor directly in charge of its services are duly registered and/or licensed under the laws, rules and regulations of any authority having jurisdiction over the Project if registration is required.

21.5 The Design/Build Contractor represents and agrees to advise Owner of anything of any nature in any drawings, specifications, plans, sketches, instructions, information, requirements, procedures, and other data supplied to the Design/Build Contractor (by the Owner or any other party) that is, in its opinion, unsuitable, improper, or inaccurate for the purposes for which the document or data is furnished.

21.6 The Design/Build Contractor represents and agrees to perform its services under this Agreement in an expeditious and economical manner consistent with good business practices and the interests of Owner.

21.7 Design/Build Contractor represents and agrees that there are no obligations, commitments, or impediments of any kind that will limit or prevent performance of its obligations under this Agreement.

21.8 Design/Build Contractor represents and agrees that the individual executing this Agreement on behalf of Design/Build Contractor has been duly authorized to act for and to bind Design/Build Contractor to its terms.

21.9 Except for the obligation of Owner to pay Design/Build Contractor certain fees, costs, and expenses pursuant to the terms of this Agreement, Owner shall have no liability to Design/Build Contractor or to anyone claiming through or under Design/Build Contractor by reason of the execution or performance of this Agreement. Notwithstanding any obligation or liability of Owner to Design/Build Contractor, no present or future partner or affiliate of Owner or any agent, officer, director, employee, or anyone claiming under Owner has or shall have any personal liability to Design/Build Contractor or to anyone claiming through or under Design/Build Contractor by reason of the execution or performance of this Agreement.

ARTICLE 22 CERTIFICATION OF NO ASBESTOS CONTAINING MATERIALS OR WORK

22.1 With each material submittal for the Project, the Design/Build Contractor shall provide a material safety data sheet (MSDS) and a statement certifying that no asbestos containing materials or work is included within the scope of the proposed submittal.

22.2 The Design/Build Contractor shall ensure that Texas Department of Health licensed individuals, consultants or companies are used for any required asbestos work including asbestos inspection, asbestos abatement plans/specifications, asbestos abatement, asbestos project management and third-party asbestos monitoring.

22.3 The Design/Build Contractor shall provide at Substantial Completion, a notarized affidavit to the Owner and the Architect stating that no asbestos containing materials or work was provided, installed, furnished or added to the Project.

22.4 The Design/Build Contractor shall take whatever measures he deems necessary to insure that all employees, suppliers, fabricators, materialmen, subcontractors, or their assigns, comply with this requirement.

22.5 All materials used on this Project shall be certified as non-Asbestos Containing Building Materials (ACBM). Every subcontractor shall provide a notarized statement that no ACBM has been used, provided, or left on this Project.

22.6 The Design/Build Contractor shall provide, in hard copy and electronic form, all necessary material safety data sheets (MSDS) of all products used in the construction of the Project to the Texas Department of Health licensed inspector or Project Architect or Engineer who will compile the information from the MSDS and, finding no asbestos in any of the product, make a certification statement.

22.7 At Final Completion the Design/Build Contractor shall provide a notarized certification statement that no ACBM was used during construction of the Project.

ARTICLE 23 MISCELLANEOUS PROVISIONS

23.1 Assignment. This Agreement is a personal service contract for the services of Design/Build Contractor, and Design/Build Contractor's interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

23.2 Records of expenses pertaining to Reimbursable Expenses, Additional Services and services performed on the basis of a Direct Salary Expense or Monthly Salary Rate shall be kept on the basis of generally accepted accounting principles and shall be available for audit by the Owner or the Owner's authorized representative on reasonable notice.

23.3 Child Support Certification. Pursuant to Section 231.006, *Texas Family Code*, Contractor certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

23.4 Eligibility Certification. Pursuant to Section 2155.004, *Texas Government Code*, Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment withheld if this certification is inaccurate.

23.5 Franchise Tax Certification. A corporate or limited liability company Contractor certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171 of the *Texas Tax Code*, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable.

23.6 Payment of Debt or Delinquency to the State. Pursuant to Sections 2107.008 and 2252.093, *Texas Government Code*, Contractor agrees that any payments owing to Contractor under this Agreement may be applied directly toward any debt or delinquency that Contractor owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

23.7 Entire Agreement; Modifications. This Agreement supersedes all prior agreements, written or oral, between Design/Build Contractor and Owner and shall constitute the entire Agreement and understanding between the parties with respect to the subject matter hereof. This Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by Design/Build Contractor and Owner.

23.8 Captions. The captions of paragraphs in this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

23.9 Governing Law and Venue. This Agreement and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas. Hidalgo County, Texas shall be the sole place of venue for any legal action arising from or related to this Agreement or the Project in which the Owner is a party.

23.10 Waivers. Neither the delay nor the failure of any party to exercise any right or power accruing to it under any of the provisions of this Agreement shall impair or be construed as a waiver of that right or power. A waiver by any party of any particular breach of this Agreement shall not be construed as a waiver of any subsequent breach unless specifically expressed in writing.

23.11 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted assigns and successors.

23.12 Appointment. Owner hereby expressly reserves the right from time to time to designate by notice to Design/Build Contractor a representative to act partially or wholly for Owner in connection with the performance of Owner's obligations hereunder. Design/Build Contractor shall act only upon instructions from such representative unless otherwise specifically notified to the contrary.

23.13 Records. Records of Design/Build Contractor's costs, reimbursable expenses pertaining to the Project and payments shall be available to Owner or its authorized representative during business hours and shall be retained for three years after final Payment or abandonment of the Project, unless Owner otherwise instructs Design/Build Contractor in writing.

23.14 Notices. All notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Agreement shall be in writing. Written notice shall be deemed to have been given when delivered in person to the designated representative of the Contractor or Owner for whom it is intended; or sent by registered or certified U. S. mail to the last known business address of the designated representative. Mail notices are deemed effective three business days after the date of mailing.

23.15 Severability. In case any provision hereof shall, for any reason, be held invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid or unenforceable provision had not been included herein.

23.16 Illegal Dumping. The Design/Build Contractor shall ensure that it and all of its Subcontractors and assigns prevent illegal dumping of litter in accordance with Title 5, *Texas Health and Safety Code*, Chapter 365.

ARTICLE 24 COMPENSATION

24.1 Construction Cost Limitation

The anticipated Construction Cost Limitation for the Project at the time this Agreement was executed is:

Three Hundred Seventy Three Thousand Dollars (\$373,000.00)

24.2 Pre-Construction Phase Fee

For Pre-Construction Phase Services, Owner shall pay Design/Build Contractor a Pre-Construction Phase Fee in accordance with the following schedule:

Pre-Design Stage (5%)	\$ <u> N/A </u>
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Schematic Design Stage (10%)	\$ <u>N/A</u>
Design Development Stage (20%)	\$ <u>N/A</u>
GMP Development Stage (20%)	\$ <u>N/A</u>
Construction Documents Stage (40%)	\$ <u>N/A</u>
Bid Proposal Stage (5%)	\$ <u>N/A</u>
Total	<u>\$25,000.00</u>

24.3 Construction Phase Fee

24.3.1 For Construction Phase Services, Owner shall pay Design/Build Contractor a stipulated Construction Phase Fee equal to N/A percent (%) of the Construction Cost Limitation for the Project.

24.3.2 Based on the anticipated CCL established at the time of this Agreement, the Construction Phase Fee would be the total stipulated amount of:

N/A Dollars (\$).

24.3.3 The Construction Phase Fee includes a fee for Construction Contract Administration Services in the amount of:

N/A Dollars (\$).

24.3.4 If the Owner agrees to an increase in the Guaranteed Maximum Price during the Construction Phase, the Construction Phase Fee shall be equitably adjusted by applying the percentage established in paragraph 24.3.1 to the amount of the increase in the GMP.

24.3.5 The percentage rate established in paragraph 24.3.1 of this Agreement for calculation of the Construction Phase Fee cannot be increased except with the express written approval of the Associate Director for Project Management, Office of Facilities Planning and Construction.

24.3.6 If the Owner agrees to any increases in the Construction Cost Limitation during the Construction Phase without increasing the GMP (for example, change orders funded by Owner's Special Cash Allowance or Owner's Construction Contingency) the Design/Build Contractor's fee for these increases shall be calculated accordance with the provisions of the Uniform General and Supplementary Conditions for Change Orders.

24.4 Limitation on General Condition Costs

24.4.1 The maximum allowable amount of General Conditions Costs payable to the Design/Build Contractor during the Construction Phase of the Project shall not exceed

Thirty-Two Point Sixty One percent (32.61%) of the Construction Cost Limitation for the Project.

24.4.2 Based on the anticipated CCL established at the time of this Agreement, the maximum allowable amount of General Conditions Costs would be the total amount of:

One Hundred Twenty One Thousand Six Hundred Thirty Five Dollars (\$121,635.00).

24.4.3 If the Owner agrees to an increase in the Guaranteed Maximum Price during the Construction Phase the maximum allowable amount of General Conditions Costs shall be equitably adjusted by applying the percentage established in paragraph 24.4.1 to the amount of the increase in the GMP.

24.4.4 The percentage rate established in paragraph 24.4.1 of this Agreement for calculation of the maximum allowable amount of General Conditions Costs cannot be increased except with the express written approval of the Associate Director for Project Management, Office of Facilities Planning and Construction.

24.4.5 If the Owner agrees to any increases in the Construction Cost Limitation during the Construction Phase without increasing the GMP (for example, change orders funded by Owner's Special Cash Allowance or Owner's Construction Contingency) the allowable General Conditions Costs for these increases shall be calculated accordance with the provisions of the Uniform General and Supplementary Conditions for Change Orders.

24.5 Additional Design Services Fee

24.5.1 For Additional Design Services of the Project Architect, its consultants or any other person performing Additional Design Services that are approved in advance by the Owner, the Additional Design Services Fee shall be established by one of the following methods:

- a. A pre-established lump sum amount.
- b. Compensation by the hour for time expended at an amount not to exceed 2.75 times the Direct Salary Expense for each person performing services.
- c. As a pre-established percent of the cost of the item in question.

24.5.2 For Additional Design Services approved in advance by the Owner, the Design/Build Contractor shall be entitled to a maximum ten-percent (10%) markup on the established Additional Design Services Fees that are billed to the Design/Build Contractor. The Project Architect is not entitled to any markup on services provided by its consultants except as that markup is paid out of Design/Build Contractor's allowed markup.

24.6 Reimbursable Expenses

24.6.1 Reimbursable Expenses for Pre-Construction Phase Services are in addition to the Compensation for Basic Design Services and Additional Services. These include actual out-of-pocket reasonable expenditures made by the Design/Build Contractor, Project Architect and the Project Architect's employees and design consultants incurred solely and directly in connection with the Project Team's performance of its Design Services hereunder for the following expenses:

24.6.1.1 Fees paid for securing approval of authorities having jurisdiction over the Project for design phase services.

24.6.1.2 Professional models and renderings related to building design as requested by the Owner.

24.6.1.3 When expressly directed and approved in advance by the Owner, reproductions, printing, binding, collating and handling of reports, drawings, specifications, and associated shipping and mailing, or other project-related work product, other than that used solely in-house for Project Team and its consultants or for project progress/review meetings.

24.6.1.4 Expense of any additional insurance coverage or limits, requested by the Owner in, addition to the coverage required by the contract.

24.6.1.5 Travel from Texas to out of state locations:

Lodging: Actual cost of lodging, not to exceed 140% of the “Out of State Meals and Lodging Rates”, established by the Texas Comptroller of Public Accounts. (Website http://www.window.state.tx.us/comptrol/san/fm.notices/date.html/fm02/fm02-16_intro.html), plus city and state taxes.

Meals: Limited to the meal per diem established by the Texas Comptroller of Public Accounts. Meal per diem will only be paid on trips involving overnight travel.

24.6.1.6 Travel to Texas from out of state locations:

Lodging: Actual cost of lodging, not to exceed 140% of the current State of Texas per diem rate, plus city and state taxes.

Meals: Limited to the meal per diem established by the Texas Comptroller of Public Accounts. Meal per diem will only be paid on trips involving overnight travel.

24.6.1.7 Automobile Expenses Related to Out-of-State Travel: Actual auto rental for moderate size category, related auto insurance, gasoline, parking and taxi service. Costs include applicable taxes.

24.6.1.8 Airline Travel: Actual coach class air travel with rates nearest to the State contract rate. All airline travel shall be booked no less than 7 days in advance when possible. Reimbursement for air travel booked within 7 days of departure, without the prior approval of the PM/RCM, may be limited.

24.6.1.9 Unless expressly directed and approved in writing by the Owner, amounts exceeding the above stipulated limitations will not be subject to reimbursement.

24.6.2 Unless expressly directed, and approved in advance, by the Owner, transportation and living expenses incurred within the State of Texas, for firms whose principal address is within the State of Texas, will not be subject to reimbursement.

24.6.3 Expenses not allowed for reimbursement include telephone charges, FAX service, alcoholic beverages, laundry, valet service, entertainment or any non project related items. All tips must be included within the per diem allowances.

24.6.4 Owner shall pay a mark-up not to exceed ten percent (10%) on those reimbursables identified in 24.6.1.1 through 24.6.1.3 above. A mark-up shall not be paid on lodging, meals or travel expenses. Architect shall submit receipts for all reimbursable expenses along with any reimbursement request.

ARTICLE 25 OTHER TERMS AND CONDITIONS

25.1 Time of Completion

25.1.1 The anticipated date for achieving Substantial Completion of the Project at the time this Agreement was executed is:

90 Calendar Days from Contract Execution
_____, 2019.

25.1.2 The Construction Phase shall be deemed to commence on the date specified in a Notice to Proceed issued by Owner after approval of the Guaranteed Maximum Price Proposal.

25.1.3 The Design/Build Contractor shall achieve Substantial Completion of the Work and Final Completion of the Work on or before the dates agreed to in the Guaranteed Maximum Price Proposal, subject to time extensions granted by Change Order.

25.1.4 THE TIMES SET FORTH FOR COMPLETION OF THE WORK IN THE NOTICE TO PROCEED WITH CONSTRUCTION AND THE GUARANTEED MAXIMUM PRICE PROPOSAL ARE AN ESSENTIAL ELEMENT OF THE AGREEMENT. The Owner may elect, at its option, to stage or "fast-track" portions of the work. The Owner shall issue a separate Notice to Proceed or Change Order for each such stage and each such stage shall have a separate substantial completion date and a separate liquidated damages amount.

25.2 Liquidated Damages

25.2.1 For each consecutive calendar day after the Substantial Completion Date that the Work is not substantially completed, the Owner may deduct the amount of:

Five Hundred Dollars per day (\$500.00/day)

from any money due or that becomes due the Design/Build Contractor, not as a penalty but as liquidated damages representing the parties' estimate at the time of contract execution of the damages that the Owner will sustain for late completion.

25.2.2 The parties stipulate and agree that calculating Owner's actual damages for late completion of the Project would be impractical, unduly burdensome, and cause unnecessary delay and that the amount of daily liquidated damages set forth is reasonable.

25.3 Design Document Review Sets and Estimated Construction Cost Reports.

Design/Build Contractor shall provide the following design review document sets along with estimated construction cost reports at the indicated stage of completion as part of Pre-Construction Services and at no cost to the Owner:

Stage	Percent Completion	Number of Sets
Schematic Design:	50% and 95%	<u>N/A</u>
Design Development	50% and 95%	<u>N/A</u>
Construction Documents	50% and 95%	<u>N/A</u>

25.4 Notices

Notices of claims or disputes or other legal notices required by this Agreement shall be sent to the following persons at the indicated locations.

If to Owner: [Owner's Project Manager]

With Copies to: Patricia Rigney, City Attorney
118 S. Cage Blvd.
Pharr, Texas 78577

If to Design/Build Contractor: International Consulting Engineers (ICE)
Contact: Hugo P. Gonzalez, Jr., PE
1722 N. Closner, Suite B
Edinburg, Texas 78541

The parties may make reasonable changes in the person or place designated for receipt of notices upon advance written notice to the other party.

25.5 Party Representatives

25.5.1 The Owner's Designated Representative authorized to act in the Owner's behalf with respect to the Project is:

Omar Anzaldua Jr., PE, CFM, PMP, CMC
City Engineer

25.5.2 The Design/Build Contractor's designated representative authorized to act on the Design/Build Contractor's behalf and bind the Design/Build Contractor with respect to the Project is:

Hugo P. Gonzalez Jr., PE, CFM, PMP
Principal

25.5.3 The parties may make reasonable changes in their designated representatives upon advance written notice to the other party and in accordance with Paragraph 4.8.

25.6 Site Observation Requirements. The Project Architect, and his related consultants, shall inspect the Project site at intervals appropriate to the type and stage of construction progress but at least 4 times each month during the entire Construction Phase to observe the progress and quality of the Work. In addition, each consultant shall visit the site at least 4 time each month to observe construction activities related to the consultant's discipline.

25.7 Job Conferences. The Design/Build Contractor shall conduct a minimum of 2 job conferences each month.

25.7.1 Design/Build Contractor shall develop the GMP Cost of the Work without including the cost of premiums for insurance coverage provided under the Owner's Controlled Insurance Program. The GMP Cost of the Work should include the cost of premiums of all other insurance required by the Agreement or otherwise desired by the Design/Build Contractor for the Project (e.g., builder's risk, automobile, hazardous material abatement, etc.).

25.7.2 Design/Build Contractor shall include the OCIP (if applicable) information in trade packages and indicate on bid or proposal forms that bidders/proposers are to include insurance in their base proposals and provide a deductive alternate for the Owner to provide insurance under the OCIP program.

25.7.3 Design/Build Contractor shall record and provide the Owner with the amounts of the deductive alternates from the recommended subcontractors (these amounts become the "initial and minimum deduction" for each subcontractor), and to award the subcontracts accepting the deductive alternate. The total of these deducts establishes the Owner's "baseline" for tracking the actual costs.

ARTICLE 26 EXHIBITS

The following exhibits are incorporated by reference as part of this Agreement and the Contract:

Exhibit A	Uniform General and Supplementary Conditions
Exhibit B	Additional Contract Documents and Specifications
Exhibit C	Allowable General Conditions Line Items
Exhibit D	Guaranteed Maximum Price Proposal Form (N/A)
Attachment 1 to Exhibit D	Guidelines for the Preparation of the GMP (N/A)
Attachment 2 to Exhibit D	Payment and Performance Bonds (N/A)
Exhibit E	Security Bond (N/A)
Exhibit F	Schedule of Values
Exhibit G	Constructability Implementation Program (N/A)
Exhibit H	Policy on Utilization, Historically Underutilized Businesses
Exhibit I	HUB Subcontracting Plan for Pre-Construction Phase Services
Exhibit J	Hazardous Material Abatement General Scope of Work (N/A)

BY SIGNING BELOW, the Parties hereto have executed and bound themselves to this Agreement as of its Effective Date.

ATTEST:

(Design/Build Contractor)

By: _____
(original signature)

(name and title typed)

By: _____
(original signature)

(name and title typed)

Date: _____

CONTENT APPROVED:

(Owner)

By: _____
(original signature)

By: _____
(original signature)

Date: _____

EXHIBIT A

UNIFORM GENERAL AND SUPPLEMENTARY CONDITIONS

EXHIBIT B
ADDITIONAL CONTRACT DOCUMENTS AND SPECIFICATIONS

1. Special Conditions
2. Attachment "A" – Prevailing Wage Determination
3. Attachment "B" – Weather Data
4. Attachment "C" – Project Sign Layout
5. Attachment "D" – Performance Warranty
6. Project Insurance (OCIP) – Section 00710 (Optional)
7. Project Safety – Section 01070
8. Project Planning and Scheduling – Section 01150
9. Project Administration Requirements – Section 01210
10. Project Quality Control – Section 01400
11. Storm Water Management and Controls – Section 01565
12. Project Commissioning – Section 01650
13. Project Closeout Requirements – Section 01705
14. Cast Bronze Dedicatory Plaque – Section 10403
15. HUB Participation Program with Exhibits A, B, C, D, E, and F
16. Sample Payment Request Forms for A/E Services

EXHIBIT C
ALLOWABLE GENERAL CONDITION LINE ITEMS

On-Site Project Management Staff

Safety Coordinator/Assistant(s)
Project Executive
Office Engineer(s)
Project Expeditor(s)
Assistant Superintendent(s)

CPM Scheduler
Superintendent(s)
Project Manager(s)
Project Support Staff
Out-of-State Project Specific Travel*

Bonds and Insurance

Builder's Risk Insurance
General Liability Insurance
Payment and Performance Bonds
Other Project Insurance as Required by Contract

Temporary Project Utilities

Dumpsters
Project Electricity
Monthly Telephone Service
Street Rental and Barricades
Fencing and Covered Walkways
Temporary Water Distribution and Meters
Temporary Electrical Distribution and Meters
Site Erosion Control (BMP) and Project Entrance(s)

Project Water
Temporary Toilets
Temporary Fire Protection
Telephone System Installation

Field Offices & Office Supplies

Partnering Costs
Job Photos/Videos
Project Specific Signage
Postage/Special Shipping
Project/As-Built Drawings
Project Milestone Event(s)*
Move-In/Out and Office Setup
Employee Identification System
Small Tools and Storage Trailers
Monthly Office Trailer Rental Costs
Mobilization and Demobilization (Equipment Only)

First Aid Supplies
Reproduction Services
Monthly Office Supplies
Remote Parking Expenses
Project Reference Manuals
Security System/Watchman
Safety Material and Equipment
Drinking Water and Accessories
Office Clean-Up/Janitorial Services

* Specific justification and all estimated costs shall be submitted and approved by the Owner prior to any travel or event.

EXHIBIT D (NOT APPLICABLE)
GUARANTEED MAXIMUM PRICE PROPOSAL

The Design/Build Contractor, International Consulting Engineers hereby submits to Owner, The City of Pharr, Texas a Guaranteed Maximum Price (GMP) for the Project, _____ project number _____ (as defined in the Agreement), based on the Contract Documents (as defined by the Agreement) developed for the Project, as follows:

1. A not-to exceed amount for the Cost of the Work pursuant to the Agreement: \$ N/A
2. A not-to exceed amount for the General Conditions pursuant to the Agreement: \$ N/A
3. A not-to exceed amount for the Design/Build Contractor's Contingency pursuant to the Agreement: \$ N/A
4. A lump sum amount for the Construction Phase Fee pursuant to the Agreement: \$ N/A
5. Owner's Special Cash Allowance provided by the Owner: \$ N/A
6. Owner's Construction Contingency provided by the Owner.
This is a lump sum amount from which changes are to be paid in accordance with the Uniform General Conditions and the Supplementary General Conditions. Any unused amount will be deducted from the Guaranteed Maximum Price by Change Order: \$ N/A
7. TOTAL OF GMP LINE ITEMS 1 THROUGH 6: \$ N/A

This figure shall be the Guaranteed Maximum Price (GMP), which we hereby guarantee to the Owner.

GUARANTEED MAXIMUM PRICE PROPOSAL SIGNATURE PAGE
(Continuation of Exhibit D)

[Design/Build Contractor]

By: _____

Name: _____

Title: _____ *[Print or Type]*

Date of Signature: _____

ACCEPTED AND AGREED:

By: _____
(Original Signature)

Name: Owner

Title:

Date: _____

ATTACHMENT 1 TO EXHIBIT D

GUIDELINES FOR THE PREPARATION OF THE GUARANTEED MAXIMUM PRICE PROPOSAL

1. CONTRACT REQUIREMENTS:

Refer to Article 7 of the Agreement. The provisions of the GMP are defined here and other related requirements are included throughout the Agreement. In the event of irreconcilable conflict between the GMP Proposal and the Agreement, the interpretation that provides for the higher quality of material and/or workmanship shall prevail.

The GMP Proposal shall adopt and incorporate all of the terms and conditions of the Agreement. Any exceptions to or modifications of such terms and conditions proposed shall not be effective unless they are expressly stated and conspicuously identified in the GMP Proposal and are specifically accepted and approved by the Owner, In general, proposed revisions or modifications to the language, terms or conditions of the Agreement will not be accepted.

2. PRE SUBMITTAL REQUIREMENTS:

- A. Scope Definition: Prior to GMP submittal, the Contractor shall thoroughly review the GMP construction document package with the Owner and determine if the scope is sufficiently defined and identify those areas requiring additional scope definition. As a minimum the following should be defined: Program building size, site limits and access, utility systems (existing and new), complete building systems descriptions, materials outline by division, MEP systems descriptions including materials, MEP system options shall be defined and accepted.
- B. Estimated Construction Cost: Cost estimates shall be updated concurrently with the construction document development.
- C. Schedule: The anticipated Notice To Proceed and Substantial Completion dates shall be coordinated and approved by the Owner.
- D. Value Engineering: Proposed value engineering items included in the GMP shall be updated from previously submitted value engineering and should reflect the “final acceptance” of VE items, which are part of the scope of work. The VE schedule shall identify current acceptance and the date of acceptance in an adjacent column. VE items must be resolved and accepted by the Owner prior to GMP submittal.
- E. Pre-submittal Conference: The Contractor shall schedule a conference with the Project Manager no later than six (6) weeks prior to submitting the GMP to the Owner. Issues regarding the required materials to be included in the GMP should be reviewed so that there is a clear understanding of the format and contents of each division of work to be submitted.

3. CONSOLIDATION OF REVIEW COMMENTS:

The Owner, the Owner’s Engineers, the Project Manager, and the Design Build Contractor shall provide review comments. The Contractor shall consolidate all responses to those groups into

TAB 9 of the document. Each owner comment shall have a corresponding answer directly below the original comment. A reply to each owner comment is required even if only a clarification is required. Each reply shall state where in the GMP Proposal the corresponding information may be located.

4. MULTIPLE GMP'S:

In order to expedite the project schedule, the Owner and Contractor may execute multiple GMP Proposals (stages), which shall be incorporated into the contract through a change order to the previous approved GMP Proposal(s), identified in Article 7. The requirements for this method shall be identical to the requirements for the first GMP submittal/approval process.

5. GMP PROPOSAL PACKAGE

The GMP Proposal shall be bound in 3-ring notebook or spiral notebook and entitled "Guaranteed Maximum Price Proposal". Below it the following items shall be shown:

- Submittal number (i.e. Submittal #1)
- Date of Submittal
- Project Name
- 099Project Number

Since several submittal revisions may be submitted, always state which submittal number is currently being submitted.

All pages within each tab shall be numbered.

The proposal shall be organized in the order described below:

TABLE OF CONTENTS

- List all the following items. Provide a brief summary of the major components within each Tab.

TAB 1 – Guaranteed Maximum Price Proposal (Exhibit D)

- Refer to the GMP Proposal document attached to this Exhibit. Type in the cost amounts and sign, attest, date and seal the form.
- In addition to the bound notebooks, provide two (2) loose original executed copies. (Do not bind into spiral notebooks.)
- Do not alter any language from the original document without prior approval from the Contract Manager.
- Do not electronically alter the document.
- Each line item cost must exactly match the corresponding cost summary shown on the TAB 6 GMP Proposal Cost Breakdown.
- Provide a Corporate Resolution or Articles of Organization, stating individual's authorization to execute contracts on behalf of the corporation, for any individual signing the GMP, who is not the President or CEO of the firm.

TAB 2 - Executive Project Summary

- State any amended services or scope changes included in the Proposal.
- Provide a brief project summary defining the scope of work associated with the construction phase of work included in this GMP Proposal.
- Include the description of building type, size, character and general materials.
- Summarize any relationship with existing structures, unusual site conditions, utility issues, or conditions effected by other governmental agencies (i.e. right-of-way issues)
- State the anticipated Notice to Proceed date and Substantial Completion date.

TAB 3 - Project Team

- List the various teams and the team members, in graphic and written form, for including names, titles, job responsibilities, and contact information.
- Identify all consultants.

TAB 4 - List of Documents

- Drawings Index – provide detailed listing of each sheet number, sheet title, original date of drawing, revised date of drawing
- Specification Index:
 - Provide a detailed listing of each specification section required by the Owner as identified in the Agreement (see the Exhibit for “Owner’s Specifications”)
 - Provide a detailed listing of all other spec sections describing the project.
 - Specifications shall be organized by CSI Division format. State the name, original date of issue, and a column for revision date.

TAB 5 - Qualifications and Value Engineering

- Qualifications – A summary of all qualifications and assumptions organized by drawing sheet number or by specification sections to match those in TAB 4.
- Exclusions – A summary of exclusions organized by drawing sheet number or by specification section.
- Substitutions – A summary of substitutions to materials or systems described by drawing sheet number or by the specifications listed in TAB 4. Organize by specification section.
- Value Engineering Recommendations - List all items proposed to date and for each item identify if the item is accepted by the Owner and included in the GMP. State the date of acceptance. In addition identify those VE items not currently accepted. State if the price is good for a limited time period.

TAB 6 - GMP Proposal Cost Breakdown

- Provide an Estimated Construction Cost breakdown on the Standard Schedule of Values Format for Cost of the Work based on anticipated subcontracts organized by CSI Division format, General Conditions per exhibit, Contractor’s Contingency, Construction Phase Fee, any Owner’s Special Allowance and/or Owner’s Construction Contingency as identified by the Owner.

- The Contractor shall provide a breakdown for all Allowable General Condition Line Items by unit cost and duration, including completion of the attached “DB’s Personnel and Monthly Salary Rate” for all salary employees assigned to the Project.
- The Contractor shall include an updated Exhibit J, “DB’s Personnel and Monthly Salary Rates” identifying any new staff or rate modifications. Bold any revisions.
- The Contractor shall provide a detailed initial Total Project Construction Cost Estimate using standard estimating industry practices, utilizing the CSI Division format, with any additional cost breakdown as required by the Owner’s Project Manager.

TAB 7 - Master Project Schedule (Summary Level)

- The Summary Level schedule shall be submitted electronically on a 3.5” diskette or CD and on paper bound with the GMP Proposal.
- Summary Schedule Requirements
 - The schedule shall comply with the requirements of Owner’s Specification Section 01150 and shall form the basis for the “Detail” schedule, which shall be submitted within sixty (60) days following Notice to Proceed for Construction Services.
 - The schedule shall be a computer generated CPM schedule developed in Primavera Project Planner software.
 - The schedule shall be presented in “bar chart” form and contain detailed activities for all events and milestones included in Pre-construction (Part I) Services
 - The schedule shall include detailed, logic driven activities for all Construction Service activities scheduled to commence during the first ninety (90) days following the Notice to Proceed for Construction. The remaining construction activities (those commencing after the first 90 days) may be summarized by trades and may have longer durations than the “detailed” activities mentioned above.
- Total Float
 - The total float indicated on the Master Project Schedule shall be no less than 10% of the total Construction Phase duration (NTP to Substantial Completion). i.e. - All paths in the schedule must lead to a milestone activity for Substantial Completion, which shall be logic driven and indicate completion within approximately 90% of the time allowed by contract for the Owner established Substantial Completion Date.

TAB 8 - Bid/Proposal Package Strategy

- The Contractor shall provide a written Bid/Proposal Package Strategy for procuring subcontracts including self-performance work (other than General Conditions) as described in Owner’s Specification Section 01210.

TAB 9 - Historically Underutilized Business Plan

- Complete the attachments required by exhibit of the Agreement.
- For all first and second tier subcontractors currently under contract or anticipated to be contracted with, provide completed Attachments C, D, and E.
- A completed HUB Subcontracting Plan shall be delivered to Owner at the time of final subcontracting buyout.

TAB 10 - Responses to Review Comments

- For resubmitted GMP Proposals, include all review comments provided by the Owner regarding the GMP or GMP re-submittal.
- For each submittal the Contractor shall provide a written response below each original comment, stating the appropriate response to the issue and include that documentation in this section. **A re-submittal may not be forwarded to Owner without responses to the previous review comments and included under this TAB 10.**
- **Any proposed deviations from the provisions or processes described in the Agreement, contained in this Proposal, shall be approved in writing by the Associate Director of Project Management and included herein.**

ATTACHMENT 2 TO EXHIBIT D
PAYMENT AND PERFORMANCE BONDS

EXHIBIT E (NOT APPLICABLE)

SECURITY BOND

Surety Bond No. _____

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF _____

§

That we, _____, as Principal, and _____, as Surety, are hereby held and firmly bound unto The City of Pharr, Texas as Obligee in the penal sum of Five Percent (5%) of _____ (\$ _____), the Construction Cost Limitation (CCL) for the Project defined hereinbelow, for payment whereof the said Principal and Surety bind themselves, their heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

Whereas the Principal has executed a contract, with Obligee for the use and benefit of _____, dated _____, _____ (the "Contract"), for _____, Project No. _____, (the "Project").

NOW THEREFORE, the condition of this obligation is such that, if the aforesaid Principal shall execute a Guaranteed Maximum Price Proposal acceptable to all parties, the said Principal will, within the time required by the Contract, give Performance and Payment Bonds, as required by the Contract, to secure the performance of the terms and conditions of the Contract, then this obligation to be void; otherwise the Principal and surety will pay unto the Obligee the difference in money between the amount of the Guaranteed Maximum Price Proposal of the said Principal and the amount for which the Obligee legally contracts with another party to perform the work if the latter amount be in excess of the former, but in no event shall liability hereunder exceed the penal sum hereof.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this _____ day of _____ in the year _____, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(SEAL)

Principal

ATTEST:

By: _____

By: _____

(Typed Name and Title)

(Typed Name and Title)

(SEAL)

Surety

ATTEST:

By: _____

By: _____

(Typed Name and Title)

(Typed Name and Title)

EXHIBIT F
SCHEDULE OF VALUES

EXHIBIT G (NOT APPLICABLE)

CONSTRUCTABILITY IMPLEMENTATION PROGRAM

Program Objectives:

Implement a rigorous constructability program.

- Identify and document project cost and schedule savings (targeted cost savings: 5% of construction costs)

Proposed Steps:

- **Constructability Implementation Meeting**
 - identification of all project team personnel and all project stakeholders
 - clarification of project goals, objectives, and progress to date
 - team briefing on objectives, methods, and concepts of constructability
 - familiarization with implementation program
 - preliminary identification of constructability priorities and special challenges or concerns
- **Constructability Review of Schematic Design (SD) Documents; Comments Submitted to CM Team**
 - establishment of project constructability procedures, including procedures for documenting savings
- **Meeting to Review Schematic Design Constructability Comments**
 - assessment of applicability of constructability concepts
 - prioritization and time-phasing of constructability concepts
 - detailed discussions of front-end, high-priority concepts (identify concerns, identify information needs, start to brainstorm alternative approaches, conduct preliminary evaluation of approaches, identify needs for further analysis, chart path forward, documentation of savings)
- **Design Development Constructability Review Comments to CM Team**
 - follow-up discussions on front-end, high-priority concepts
 - detailed discussions of front-end, high-priority concepts (identify concerns, identify information needs, start to brainstorm alternative approaches, conduct preliminary evaluation of approaches, identify needs for further analysis, chart path forward, documentation of savings)
- **Constructability Review Meeting**
 - review plans & specifications developed to date, identifying sub-optimal or potentially problematic design elements
 - recommend alternative design suggestions for consideration and document potential savings
 - conduct Value Engineering investigations into selected high-cost design elements; consider life-cycle cost effects

- **30% CD Constructability Review Comments to CM Team**
 - review plans & specifications developed to date, identifying sub-optimal or potentially problematic design elements
 - recommend alternative design suggestions for consideration and document potential savings
 - conduct Value Engineering investigations into selected high-cost design elements
- **50% CD Constructability Review Comments to CM Team**
 - review plans & specifications developed to date, identifying sub-optimal or potentially problematic design elements
 - recommend alternative design suggestions for consideration and document potential savings
 - conduct Value Engineering investigations into selected high-cost design elements
- **95% CD Constructability Review Comments to CM Team**
- **Constructability Discussions with CM Team**
- **Document On-site Constructability Lessons Learned**
- **Close-out Project Constructability Documentation**

EXHIBIT H

POLICY ON UTILIZATION HISTORICALLY UNDERUTILIZED BUSINESSES

International Consulting Engineers is HUB Zone Contractor therefore exceeds the minimum requirements for this section.

EXHIBIT I

HUB SUBCONTRACTING PLAN FOR PRE-CONSTRUCTION SERVICES

International Consulting Engineers is HUB Zone Firm therefore exceeds the minimum requirements for this section.

EXHIBIT J (NOT APPLICABLE)

HAZARDOUS MATERIAL ABATEMENT GENERAL SCOPE OF WORK

Review and Assessment

Review previous survey results and conduct an inspection of the facilities in order to collect the required amount of samples of suspect material. Determine the extent, condition, and approximate quantities of lead and asbestos containing materials.

Technical Specifications

Develop the technical plans and specifications for the abatement phases of the project for Owner's review and approval. Meet with appropriate personnel to discuss the plans and specifications along with the abatement process.

Provide a final copy of approved technical plans and specifications.

Abatement Monitoring

Collect and analyze background air, dust and soil samples prior to the commencement of abatement work.

For abatement work which requires the use of enclosures:

Pre-abatement inspection to approve enclosure and authorize abatement to begin.

Conduct a full time or periodic inspection as directed by Certified Industrial Hygienist (CIH).

Collect and analyze area samples (inside and outside) enclosure as directed by CIH.

Conduct a clearance inspection and collect and analyze air, dust and soil samples at conclusion of abatement work to "release" contractor from that area.

Hazardous Material Abatement

The Design/Build Contractor shall, as additional services, provide Hazardous Material Abatement, including all related services.

HAZARDOUS MATERIAL ABATEMENT CONSULTANTS

The following Hazardous Material Abatement Consultants are acceptable to the Owner:

NOT APPLICABLE

CONSTRUCTION		QUANTITIES	UNIT	UNIT PRICE	TOTAL
Downtown Gateway					
1. Engineering Design					
A.	Engineering & Shop Drawings	1	LS	\$ 25,000.00	\$ 25,000.00
Sub-Total Engineering Design:					\$ 25,000.00
2. Main Gateway					
A.	Mobilizaton/Demolition/Clean Up	1	LS	\$ 28,500.00	\$ 28,500.00
B.	Foundation	1	LS	\$ 30,000.00	\$ 30,000.00
C.	Structural and Decorative Metal Structure	1	LS	\$ 130,000.00	\$ 130,000.00
D.	CMU Wall	1	LS	\$ 15,000.00	\$ 15,000.00
E.	Metal Frame	1	LS	\$ 12,500.00	\$ 12,500.00
F.	Face Brick Wall	1	LS	\$ 15,000.00	\$ 15,000.00
G.	Electrical, Lighting	1	LS	\$ 15,000.00	\$ 15,000.00
H.	Traffic Control	1	LS	\$ 7,500.00	\$ 7,500.00
Sub-Total Main Gateway:					\$ 253,500.00
3. Light Poles					
A.	Demolition	1	LS	\$ 5,000.00	\$ 5,000.00
B.	Foundation	10	LS	\$ 4,500.00	\$ 45,000.00
C.	Structural and Decorative Metal Structure	10	EA	\$ 15,000.00	\$ 150,000.00
D.	Connecting Cables	1	LS	\$ 7,500.00	\$ 7,500.00
E.	Electrical, Lighting and Data	1	LS	\$ 15,000.00	\$ 15,000.00
H.	Traffic Control	1	LS	\$ 3,500.00	\$ 3,500.00
Sub-Total Light Poles:					\$ 226,000.00



Total Downtown Gateway: \$ 504,500.00	
Bond (Payment and Performance)	\$ 15,135.00
Grand Total	\$ 519,635.00

Notes:

1. Proposal based on Working Monday through Friday from 8:00 am to 5:00 pm.
2. Asphalt Repairs or Overlay **Not** Included.
3. Concrete Curb and Gutter **Not** Included.
4. No Striping is Included in this Cost Estimate.
5. No LED Mesh Display is included in this Cost Estimate.
6. TxDot Permits **Not** included.
7. Price based on two part epoxy paint and letters on waterjet and Powder Coated.
8. Only electrical lights, wiring, data and conduits included. Electrical Transformers, Breaker boxes, etc in place by others.