



Mayor: Mario Garza
Mayor Pro-Tem: Marco "Markie" Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus "Jesse" Ramirez

The City of San Juan does not discriminate on the basis of disability in the admission of, access to, treatment of, or employment in its programs, activities, or public meetings. Any individual with a disability in need of an accommodation is encouraged to contact the Office of the City Secretary at 956-223-2200 at least 24 hours prior to the scheduled meeting to make proper arrangements.

SAN JUAN CITY COMMISSION

Location: San Juan Memorial Library
Multipurpose Meeting Room
1010 S. Standard St.
San Juan, Texas 78589
Tuesday, July 22, 2025

REGULAR MEETING AGENDA
6:00 PM

I. CALL TO ORDER

II. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENTS

V. PRESENTATIONS

- A.** Presentation of the 2025 City of San Juan Pony Baseball 14U All-Star Team-Pony South Zone Tournament Qualifier. [Ruben Guajardo, Director of Parks & Recreation]
- B.** Presentation of the 2025 San Juan TAAF State Qualifiers. [Ruben Guajardo, Director of San Juan Parks & Recreation]
- C.** Presentation on Departmental Reports: Department of Finance, Fire Department, Police Department, Municipal Court, and Department of Utilities.
 - 1.** Department of Finance Monthly Report. [Leroy Gonzales, Director of Finance]

2. Fire Department Monthly Report. [Carlos Alaniz, Interim Fire Chief]
3. Police Department Monthly Report. [Leandro Sifuentes, Chief of Police]
4. Municipal Court Monthly Report. [Mary Enriquez, Court Administrator]
5. Department of Utilities Monthly Report. [Juan Carlos Martinez, Director of Utilities]

VI. PUBLIC HEARING/ORDINANCES

- A. Hold a Public Hearing and Consider an Ordinance Regarding the Rezoning Request from Multi-Family Residence District (R-MF) to General Business District (C-2) of a 1.71-Acre Tract of Land out of Lot 9, San Juan Hacienda Estates Subdivision, Located Approximately 600 feet South of Moore Road, along the East side of Veterans Boulevard, as Requested by Teysha Group, LLC. [Jorge Garcia, Director of Planning]
- B. Consideration and Appropriate Action on an Ordinance Authorizing the Issuance of “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025”; Providing for the Payment of said Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City; and Resolving other Matters Incident and Related to the Issuance, Payment, Security, Sale, and Delivery of said Certificates.

VII. APPOINTMENTS

- A. Consider the Removal, Appointment, or Reappointment of Member(s) to the Keep San Juan Beautiful Board. [Brenda Escalante, City Secretary]

VIII. DISCUSSION AND POSSIBLE ACTION ON ALL THE FOLLOWING MATTERS:

- A. Discussion and Consideration to Award RFQ NO. 25-010-06-20 for Utilities Professional Services Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study to the most Qualified Firm, Authorize the Interim City Manager to Negotiate a Contract and Execute any Related Documents. [Lori A. Maldonado, Purchasing Agent]

IX. CONTRACTUALS

- A. Consideration and Action to Approve the Memorandum of Understanding (MOU) Between the City of San Juan Police Department Law Enforcement Emergency Regional Response Team (LEERT) SWAT and the City of Weslaco Police Department. [Leandro Sifuentes, Chief of Police]

X. CONSENT AGENDA

- A. Consider Second and Final Reading of an Ordinance Regarding the Rezoning Request from Single Family Residence District (R-S) to General Business District (C-2) of the 5.00-Acre Tract of Land out of Lot 8, Block 5, John Closner Subdivision, Located Approximately 200 feet East of Veterans Boulevard, along the South side of Eldora Road, as Requested by People's Manufactured Homes. [Jorge J. Garcia, Director of Planning]
- B. Consider Second and Final Reading of an Ordinance Regarding the Conditional Use Permit for the Sale of Alcoholic Beverages (BG – Wine and Beer Retailer's Permit) and Late Hours Permit (BL – Retail Dealer's On-Premise Late Hours License) at "Quinta Rivera" located at 605 E. Hall Acres Road, Legally Described as Lot 96, Valley Ranch No. 5 Subdivision, as Requested by Quinta Rivera, LLC. [Jorge J. Garcia, Director of Planning]
- C. Consider Approval of City Commission Meeting Minutes:
 - January 27, 2025
 - February 25, 2025

XI. EXECUTIVE SESSION

- A. The San Juan City Commission will Convene in Executive Session in Accordance with the Texas Open Meeting Act, Vernon's Texas Statutes and Codes Annotated, Government Code Chapter §551.071 (Consultation with Attorney).
 - 1. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action on Legal Matters Concerning the Noche De Paz Event.
 - 2. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action on Legal Matters Regarding the Review Committee for the City Manager Vacancy.
 - 3. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action Regarding Legal Matters Concerning the Excavation Permit Applications Submitted by GST Underground Telecommunication Services, LLC for the Installation of Vexus Fiber Cable.

XII. RECONVENE

- A. The City Commission will Reconvene in Open Session to Take Necessary Action, if any, in Accordance with Chapter 551, Open Meeting Subchapter E, Procedures Relating to Closed Meeting 551, Requirements to Vote or Take Final Action in Open Meeting.
 - 1. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action on Legal Matters Concerning the Noche De Paz Event.

2. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action on Legal Matters Regarding the Review Committee for the City Manager Vacancy.
3. Pursuant to Section §551.071 of the Texas Government Code Consultation with Attorney; Discussion and Possible Action Regarding Legal Matters Concerning the Excavation Permit Applications Submitted by GST Underground Telecommunication Services, LLC for the Installation of Vexus Fiber Cable.

XIII. ADJOURNMENT

CERTIFICATION

I certify that the above notice of the Regular Called Meeting of the City of San Juan is true and correct; and that I posted such notice on the bulletin board. A place convenient and readily accessible to the public on the 18th day of July 2025 at 5:00 p.m. in accordance with the Texas Open Meetings Act (Tex. Gov't. Code §551-041 - §551.050).



BRENDA ESCALANTE
CITY SECRETARY
CITY OF SAN JUAN, TEXAS

CERTIFICATION OF REMOVAL

I certify that the agenda of items to be considered by the City Commission was removed by the City Secretary's Office from the San Juan City Hall bulletin area on the _____ of _____, 2025.

OFFICE OF THE CITY SECRETARY



Mayor: Mario Garza
Mayor Pro-Tem: Marco “Markie” Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus “Jesse” Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Ruben Guajardo, Director of Parks & Recreation

DATE: 07/15/2025

SUBJECT: Presentation of the 2025 City of San Juan Pony Baseball 14U All-Star Team-Pony South Zone Tournament Qualifier. [Ruben Guajardo, Director of Parks & Recreation]



Mayor: Mario Garza
Mayor Pro-Tem: Marco "Markie" Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus "Jesse" Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Ruben Guajardo, Director of Parks & Recreation

DATE: 07/15/2025

SUBJECT: Presentation of the 2025 San Juan TAAF State Qualifiers. [Ruben Guajardo, Director of San Juan Parks & Recreation]



Mayor: Mario Garza
Mayor Pro-Tem: Marco “Markie” Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus “Jesse” Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Leroy Gonzales, Director of Finance

DATE: 07/15/2025

SUBJECT: Department of Finance Monthly Report. [Leroy Gonzales, Director of Finance]

Finance Department

Department Description

Finance Department has the responsibility to safeguard City’s financial assets and manage its resources in according with state law, City Charter, and ordinances enacted by the City Commission.

- Process accounts payable and payroll for the City of San Juan and
- Economic Development Corporation.
- Provide monthly financial reports to Departments and City Commission
- Generate financial reporting according to GAAP
- Maintain an adequate level of liquidity and meet financial responsibility of City’s
- investments policy prioritizing objective of safety, liquidity and yield
- Issue Purchase Orders on a daily basis

Additional Information

8 STAFF MEMBERS

Maintained 27 funds, assisted 24 departments and posted 1,368 journal entries, issued 2,944 disbursement checks, 535 Bank Drafts and processed 6,100 payroll checks and direct deposits, through the months of June 30, 2025.

June Sales Tax 8.73% Increase of \$48,602 Compared to last year.

Audit FY 2023/2024 Started on November, 2024 100% complete, March 31, 2025.

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Reconciled 11 Bank Accounts
Budget Adjustments (50)
Budget Amendments (4)
Internal Budget Amendments (22)
Manage a 33.9 million budget

- General Fund Budget of 18.8 million
- Utility Fund 5.1 million
- Stormwater Fund 312 thousand
- Debt Service Fund 2.8 million
- Sanitation Fund 4.4 million
- Other Funds 2.2 million

Utility Billing & Collection Department

Department Description

The Utility Billing Department is responsible for billing and collection of water usage, sanitary sewer, residential garbage collection and responding to customers complaints.

- The City of San Juan collects about 7,455 Water 10,658 Sewer and Brush 10,112 accounts.
- North Alamo Water Supply Corporation service 3,654 sewer accounts and Garbage and Brush 2,964 Accounts.
- Per Audited Financial Report, in FY ending 9/30/2024, Utility Fund collected 6.2 million and Sanitation Fund 4.4 million with a combined 10.6 million.
- Email Billing (52)

Service Orders

Connects	85
Meter information	22
Disconnect	62
Dead Meters Change	26
Past Due Notice	1,824
Cut List/11th	107
Cut List Register	23

Payments are made by

61 % paid in person
1 % juniors
31 % online
6 % bank drafts
3 % other locations

- Staff of 9 Employees

Purchasing Division

Purchasing Description

Purchasing Division is responsible for acquiring goods and services for the City, in accordance with state law, the City's purchasing policies and annual budget.

Activity through June, 2025.

Purchase Orders Issued	3,355
Purchase Order Changes/Voids	125
Bid Openings	8
Public Auction	1

CITY OF SAN JUAN
BUDGET ADJUSTMENT FORM
FY 2024-2025

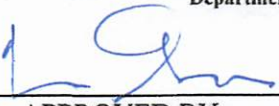
Budget Adjustment No. BA 0002374
(Assigned by Fin. Dept)

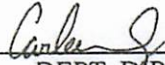
Fund Name: General
Dept. Name: Fire

Account Number	Description	Original Budget	Amended Budget	Increase	Decrease	Amended Budget Amt
REVENUES						
		-	-	-	-	-
TOTAL REVENUES		-	-	-	-	-

EXPENDITURES						
10-470.7957	Other Equipment	200,000	211,054		35,000	176,054
10-470.4640	Repair and Maintenance	50,000	68,236.66	35,000		103,236.66
TOTALS EXPEDITURES		250,000	279,291	35,000	35,000	279,291

JUSTIFICATION: To provide funds for Emergency Repairs that are needed to units.

Carlos Alaniz, Interim Fire Chief 6/23/2025
REQUESTED BY DATE
Department Director (Print)
 06/25/2025
APPROVED BY DATE
City Manager (Budget Officer)

 06/23/2025
DEPT. DIRECTOR DATE
Department Director (Signature)
 6/25/25
REVIEWED BY DATE
(Finance Department)

CITY OF SAN JUAN BUDGET ADJUSTMENT

Budget Adjustment No. BA 0002373
(Assigned by Fin. Dept)

Fund Name: General Fund
Dept. Name: Parks & Recreation

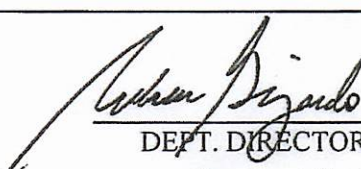
Account Number	Description	Original Budget	Current Budget	Increase	Decrease	Adjusted Budget Amt
REVENUES						
TOTAL REVENUES						

EXPENDITURES						
10-500.4640	Repair & Maintenance	\$39,800	\$38,349.45		\$1,500	\$36,849.45
10-500.5500	Travel and Training	\$8,550	\$9,511		\$1,200	\$8,311
10-500.6270	Clothing and Uniforms	\$10,054	\$10,054	\$2,700		\$12,754

JUSTIFICATION:

Moving monies to Clothing and Uniforms to help cover the invoices for the parks crew uniforms.

Ruben Guajardo Jr 06/20/2025
REQUESTED BY DATE
Department Director (Print)
 06/23/2025
APPROVED BY DATE
City Manager (Budget Officer)

 6-20-25
DEPT. DIRECTOR DATE
Department Director (Signature)
 6-23-25
REVIEWED BY DATE
(Finance Department)

CITY OF SAN JUAN BUDGET ADJUSTMENT

Budget Adjustment No. BA0002372
(Assigned by Fin. Dept)

Fund Name: General
Dept. Name: Parks & Recreation

Account Number	Description	Original Budget	Current Budget	Increase	Decrease	Adjusted Budget Amt
REVENUES						
TOTAL REVENUES						

EXPENDITURES						
10-500.6250	Food, ice and bottled water	\$600.00	\$855.00	\$160.00		\$1,015.00
10-500.5500	Travel and Training	\$8,550	\$9,671		\$160.00	\$9,511

JUSTIFICATION:

Moving monies into food account to help cover expenses for the groundskeeper appreciation lunch that we will treat our Parks crew with at Michaels Burgers.

Ruben Guajardo 6-17-25
REQUESTED BY DATE
Department Director (Print)
[Signature] 06/23/2025
APPROVED BY DATE
City Manager (Budget Officer)

Ruben Guajardo 6-17-25
DEPT. DIRECTOR DATE
Department Director (Signature)
[Signature] 6/20/25
REVIEWED BY DATE
(Finance Department)

Budget Adjustment No.

Budget Adjustment No. BA0002370
(Assigned by Fin. Dept)

Account Number	Description	Original Budget	Amended Budget	Increase	Decrease	Amended Budget Amt
REVENUES						
		-	-	-	-	-
	TOTAL REVENUES	-	-	-	-	-

JUSTIFICATION: Allocate the necessary funds to cover monthly document storage fees with Lone Star Shredding & Document Storage for the remainder of FY 2024–2025, as well as expenses related to food and beverages for city meetings.

REVIEWED BY _____ DATE 6/17/25
(Finance Department)

Budget Adjustment No.

(Assigned by Fin. Dept.)

Dept. Name: Municipal Court

EXPENDITURES						
10-430.6200	Tires and Tubes	800	800	-	400	400.00
10-430.6200	Food, Ice & Bottled Water	340	690	400	-	1,090.00
		-	-	-		-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
TOTALS EXPEDITURES		1,140	1,490	400	400	1,490

JUSTIFICATION:

To allocate money to purchase items for the Judge A J Garcia and Juan Zamora swearing in.

Requesters Name (Print)

City Manager (Budget Officer)

Department Director (Signature)

(Finance Department)

Budget Adjustment No.

BA 0002367



Mayor: Mario Garza
Mayor Pro-Tem: Marco "Markie" Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus "Jesse" Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Tirso Garza, Fire Chief

DATE: 07/15/2025

SUBJECT: Fire Department Monthly Report. [Carlos Alaniz, Interim Fire Chief]

The San Juan Fire Department did the following activities in June 2025.

Emergency Calls

A total of 45 calls were made in June 2025. (Please see attached report.)

- A Shift = 9
- B Shift = 19
- C Shift = 17

Med-Care Response

Med-Care EMS and the Fire Department responded to 23 calls in June 2025 and submitted a monthly report for that month. (Please see attached)

County Calls

The San Juan Fire Department had 1 (one) County Call for June 2025, which is the following.

- 6/20/2025 – 815 San Mateo - Mutual Aid

Volunteer Department

The San Juan Volunteer Fire Department has been unable to hold its monthly business meeting.

Fire Inspections

A total of 44 inspections were conducted in June 2025, which are the following:

- 6/2/2025 - NYC Pizzeria - 101 Alta, Unit 2 ST,
- 6/2/2025 - Munchiando - 101 Alta, Unit 10 ST,
- 6/2/2025 - THE SPOT - Street Tacos by Taqueria Oviedo - 101 Alta, Unit 11 ST
- 6/2/2025 - The Spot - Hijos de la Birria kmb - 101 Alta, Unit 3 ST,
- 6/3/2025 - El Tigre Food Store #10 - 501 N Cesar Chavez RD
- 6/4/2025 - CHEERS FOOD TRUCKS - MONY SNACKS - 232 E BUSINESS 83, SPACE 2,
- 6/4/2025 - Ultima Ronda Bar and Grill - 1618 N Veterans BLVD,
- 6/5/2025 - Subway #57928 - 2707 N Raul Longoria RD

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- 6/6/2025 - Taide's Cake Shoppe - 2105 N Raul Longoria RD, Ste C
- 6/6/2025 - The Little Classroom 2 LLC - 200 W Expressway 83, Ste J,
- 6/6/2025 - Gorditas Dona Lula - 105 S Cesar Chavez, Ste 8,
- 6/9//2025 - H&B Auto Service - 806 W US Highway 83, Ste E & F,
- 6/10/2025 - HB Caps - 2604 N Raul Longoria RD, Ste 112
- 6/10/2025 - Valley Bakery - 816 N I RD,
- 6/11/2025 - El Rebozo - 905 W FM 495, Ste 1,
- 6/11/2025 - Norma's Hair Studio - 711 Alameda ST,
- 6/11/2025 - Taqueria Jalisco - 2908 N Raul Longoria RD
- 6/11/2025 - Vital Coffee - 512 S Nebraska, (Outside)
- 6/11/2025 - Oportun Inc. - 111 W FM 495, Ste 3,
- 6/11/2025 - Mijitos Cocina - 308 N Nebraska AVE,
- 6/11/2025 - McDonald's #40960 - 3701 N Raul Longoria RD
- 6/12/2025 - Dollar General #7211 - 615 S Standard AVE,
- 6/16/2025 - Dollar General - 100 E FM 495
- 6/16/2025 - Dollar General #6913 - 2412 N Raul Longoria RD,
- 6/17/2025 - Rodeway Inn San Juan Inn - 112 W 83 EXPY,
- 6/17/2025 - Ruben Meat Market - 4309 N Raul Longoria RD,
- 6/17/2025 - Museo 956 - 109 W Business 83,
- 6/18/2025 - Sunshine Kids Daycare - 111 W Nolana, Ste 11 & 12,
- 6/18/2025 - Noah's Ark Daycare - 221 Encino DR,
- 6/18/2025 - Juan and Maria Pena - Foster Home - 800 Oliverio AVE
- 6/23/2025 - CarOne, LLC - 126 S Stewart RD
- 6/23/2025 - El Patron Liquor Store - 1209 E FM 495, Ste 5,
- 6/23/2025 - Crazy About Mangonadas - 1110 S Stewart RD, Ste A
- 6/23/2025 - Crazy About Mangonadas - 510 E FM 495,
- 6/23/2025 - Little Caesars Pizza - 106 E 495
- 6/25/2025 - Trimad Consultants, LLC - 1103 N Raul Longoria, Building C RD
- 6/25/2025 - Richard's Fence/Backyards Unlimited - 302 W Interstate 2
- 6/26/2025 - Meme's BBQ Restaurant - 101 Sandra ST
- 6/26/2025 - Meme's Drive Thru - 1809 N Raul Longoria RD
- 6/26/2025 - Los Encinos Adult Daycare Center Inc. - 130 E Business 83
- 6/27/2025 - Marco's Pizza - 700 N Veterans, St G
- 6/30/2025 - Junior's Supermarket - 108 E FM 495
- 6/30/2025 - Big G's Fireworks, LLC - 4003 N Raul Longoria
- 6/30/2025 - Little Star Learning Center - 415 San Jose ST,

Plan Reviews

The following plans were reviewed for June 2025:

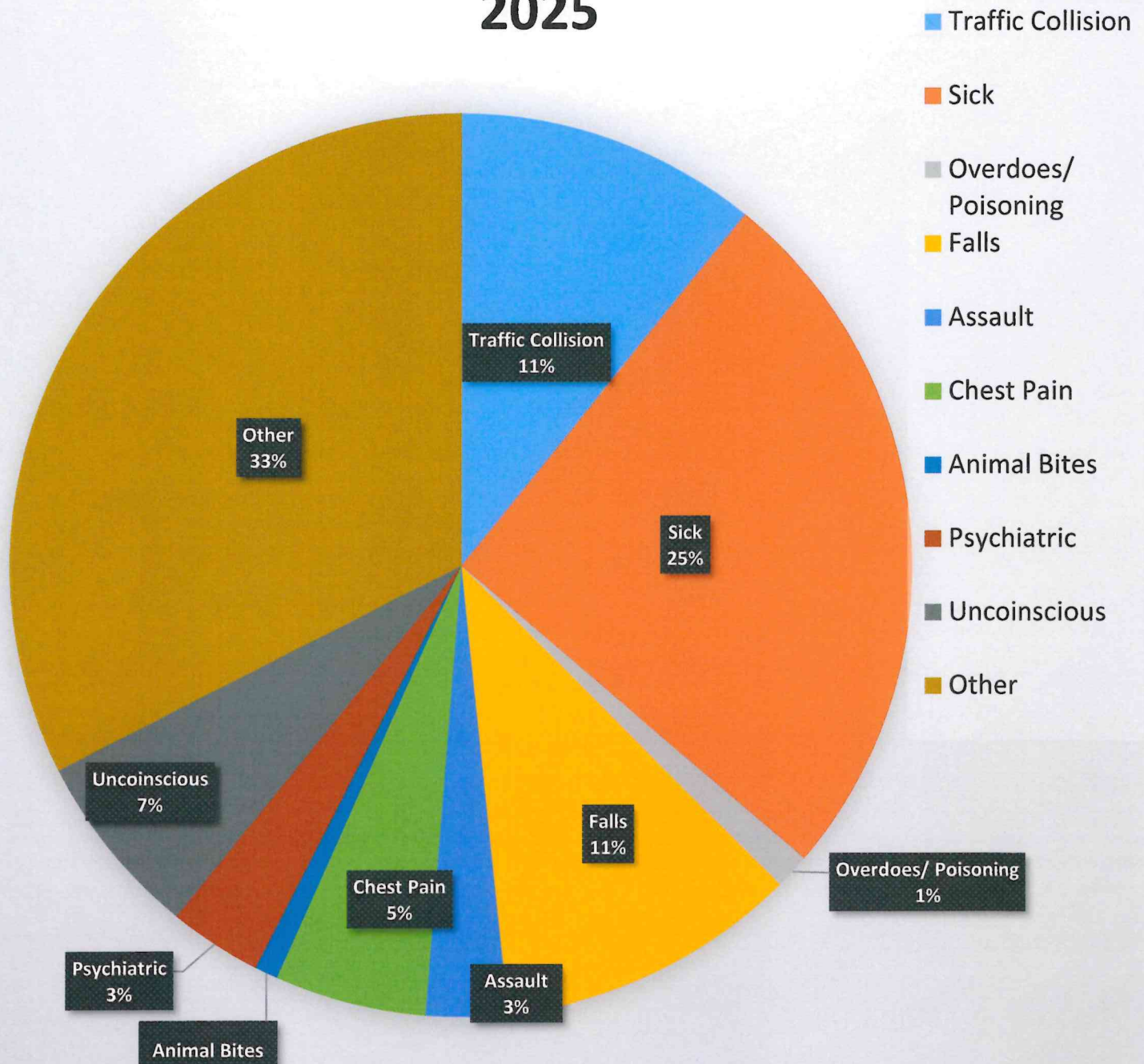
- Black Hills Estates
- Keystone Subdivision
- Shops of Chavez - Ross #2709
- ACERO Investments LLC
- Red Barn Subdivision
- Mercedes-Benz Showroom
- Goodwill
- Rainbow Pizza LLC

Fuel Utilization

Please note that the total amount of gallons mentioned in this report belongs only to the logs submitted by the Fire Chief, Lieutenant, or Firefighter in charge of June 2025 to the Administration Office.

- A total of 235.60 Gallons of Unleaded
- A total of 516.80 Gallons of Diesel.

San Juan Priority 1 Natures June 2025



Total Calls: 240

Average Response Time: 08:17

Most Common Call Types: Traffic Collision (26) Falls (26) Sick Person (61)

Date of Service	Run #	PU City	PU Address	Nature	Call Created Time	Assigned	Enroute	At Scene	Transporting	At Destination	Clear	Response Time	Reason for Delay	Active call #	Average Response Time
6/12/2025	1831-25	San Juan	110 W Los Encinos St	26 - Sick Person (Specific Diagnosis)	1:08:02	1:08:08	1:09:04	1:17:14	2:02:25	2:10:01	2:59:56	0:08:06		1st active	0:08:17
6/12/2025	1832-25	San Juan	310 W NEBRASKA AVE	09 - Cardiac or Respiratory Arrest / Death	3:20:56	3:21:03	3:22:02	3:26:37	3:54:44	4:04:28	4:28:26	0:05:24		1st active	
6/12/2025	1836-25	San Juan	300 N NEBRASKA AVE	26 - Sick Person (Specific Diagnosis)	5:05:26	5:11:13	5:11:59	5:20:29	5:32:49	5:34:15	5:45:47	0:09:06		1st active	
6/12/2025	1837-25	San Juan	210 S Liberty Loop	17 - Falls	11:36:02	11:36:28	11:40:05	11:49:11	11:56:42	11:57:16	12:00:31	0:06:52		2nd active	
6/12/2025	1841-25	San Juan	201 W 9th St	28 - Stroke (CVA) / Transient Ischemic Attack (TIA)	11:36:02	11:36:28	11:40:05	11:49:11	11:56:42	11:57:16	12:00:31	0:06:52		2nd active	
6/12/2025	1841-25	San Juan	218 W 1st St	31 - Unconscious / Fainting (Near)	18:11:09	18:12:04	18:14:21	18:19:42	18:33:13	18:35:52	18:50:09	0:07:38		1st active	
6/12/2025	1841-25	San Juan	120 W 7th St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	18:48:08	18:49:03	18:49:13	18:57:14	19:13:07	19:29:04	20:04:47	0:08:11		2nd active	
6/12/2025	1842-25	San Juan	1111 Pleasant Dr	26 - Sick Person (Specific Diagnosis)	20:17:20	20:17:20	20:19:24	20:26:40	20:30:28	20:41:07	21:02:56	0:09:20		1st active	
6/12/2025	1845-25	San Juan	605 Alameda Dr	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	20:15:05	20:02:08	20:05:59	20:10:35	21:17:59	21:29:53	21:41:13	0:08:27		1st active	
6/12/2025	1847-25	San Juan	205 W Amy Dr	13 - Diabetic Problems	9:12:40	9:12:26	9:13:08	9:16:47	9:32:46	9:43:27	10:30:09	0:04:21		1st active	
6/12/2025	1853-25	San Juan	900 W Exp 83	29 - Traffic Collision / Transportation Incident	17:34:41	17:34:52	17:35:19	17:49:10	18:05:42	18:15:56	18:52:41	0:11:18	Clear had to find the closest emergency	1st active	
6/12/2025	1854-25	San Juan	1601 E Railroad Dr	21 - Overdose / Poisoning (Ingestion)	18:54:39	18:55:13	18:56:48	19:05:11	19:26:10	19:37:40	20:44:49	0:13:58	Traffic delay, responded from DHR	1st active	
6/12/2025	1855-25	San Juan	503 James St	06 - Breathing Problems	2:59:30	2:59:35	3:02:21	3:09:32				0:08:57		1st active	
6/12/2025	1862-25	San Juan	426 W 12th St	06 - Breathing Problems	6:18:58	6:19:00	6:21:50	6:28:08	6:59:59	7:05:57	8:09:42	0:08:28		1st active	
6/12/2025	1862-25	San Juan	825 Orange St	17 - Falls	11:02:33	11:03:03	11:05:26	11:11:15	11:36:01	11:48:20	12:41:02	0:08:12		1st active	
6/12/2025	1863-25	San Juan	200 W Exp 83	29 - Traffic Collision / Transportation Incident	11:53:59	11:54:26	11:57:46	12:14:39	12:32:55	12:42:00	13:14:34	0:20:14	Traffic delay, responded from S.H.S. Madden	2nd active	
6/12/2025	1863-25	San Juan	4001 Maricopa Ave	18 - Incapacitated	12:40:52	12:41:05	12:42:03	12:53:55	13:18:35	13:34:07	14:05:12	0:12:49	In compliance with response time	2nd active	
6/12/2025	1865-25	San Juan	526 S San Antonio Ave	17 - Falls	15:56:32	15:56:44	16:01:39	16:05:38				0:06:54		1st active	
6/12/2025	1869-25	San Juan	800 E Farming Rd	32 - Unknown Problems	18:21:02	18:21:46	18:23:38	18:25:38	18:44:45	18:48:16	19:23:32	0:07:50		1st active	
6/12/2025	1869-25	San Juan	305 W Amy Dr	05 - Bad Pain (Non-Traumatic or Non-Report Training)	20:41:47	20:41:47	20:42:02	20:53:31	21:07:25	21:16:44	21:39:31	0:11:44	Traffic delay, responded from S.J. station	1st active	
6/12/2025	1870-25	San Juan	700 Pacific St	04 - Assault / Sexual Assault / Gun Gun	16:41:54	16:42:02	16:42:56	16:48:17	17:10:49	17:29:55	17:53:34	0:08:15		1st active	
6/12/2025	1871-25	San Juan	200 W 3rd St	17 - Falls	18:01:05	18:01:30	18:01:55	18:09:57	18:26:57	18:44:04	19:23:07	0:08:27		1st active	
6/12/2025	1871-25	San Juan	5102 N Real Longoria Rd	26 - Sick Person (Specific Diagnosis)	19:32:23	19:32:34	19:33:02	19:38:05	19:43:02	19:54:03	20:29:14	0:05:32		1st active	
6/12/2025	1872-25	San Juan	2003 N Real Longoria Rd	26 - Sick Person (Specific Diagnosis)	20:07:07	20:07:14	20:08:01	20:17:11	20:32:10	20:46:15	21:46:35	0:09:57		2nd active	
6/12/2025	1876-25	San Juan	209 W 6th St	32 - Unknown Problem (Person Down)	21:01:23	21:01:37	21:07:03	21:11:01	21:18:04	21:33:12	22:13:41	0:09:24		2nd active	
6/12/2025	1884-25	San Juan	2603 Grandora Dr	13 - Diabetic Problems	0:33:01	0:33:17	0:38:45	0:42:00				0:08:43		1st active	
6/12/2025	1884-25	San Juan	1111 E 7th St	09 - Cardiac or Respiratory Arrest / Death	6:22:32	6:22:44	6:25:03	6:31:28	6:49:57	7:00:32	7:49:46	0:08:44		1st active	
6/12/2025	1889-25	San Juan	1216 S Doe St	31 - Unconscious / Fainting (Near)	12:50:22	12:50:29	12:51:39	12:57:45	13:27:07	13:34:04	14:24:10	0:07:16		1st active	
6/12/2025	1895-25	San Juan	1203 S Standard Ave	26 - Sick Person (Specific Diagnosis)	12:58:34	12:59:25	13:00:04	13:15:09	13:32:23	13:49:58	14:37:10	0:15:44	In compliance with response time	2nd active	
6/12/2025	1899-25	San Juan	1205 E Sierra Rd	06 - Breathing Problems	13:36:46	13:37:01	13:38:54	13:59:42	14:16:55	14:28:11	15:33:37	0:22:42	Call center address error	3rd active	
6/12/2025	1901-25	San Juan	204 W Hazel St	12 - Convulsions / Seizures	15:12:29	15:12:39	15:14:21	15:16:27	15:29:23	15:44:59	16:30:21	0:03:48		1st active	
6/12/2025	1905-25	San Juan	720 E Dove St	17 - Falls	20:40:27	20:40:39	20:43:51	20:48:43	21:18:46	21:34:34	22:01:23	0:03:04		1st active	
6/12/2025	1905-25	San Juan	426 W 12th St	21 - Hemorrhage (Bleeding) / Lacerations	22:19:17	22:19:26	22:19:56	22:25:25	22:33:41	22:48:36	23:19:52	0:06:59		1st active	
6/12/2025	1906-25	San Juan	201 W 10th St	26 - Sick Person (Specific Diagnosis)	23:55:40	23:55:44	23:56:08	0:01:30	0:07:21	0:13:25	0:22:15	0:05:36		1st active	
6/12/2025	1907-25	San Juan	107 Old Del Jardin	26 - Sick Person (Specific Diagnosis)	14:40:38	14:41:08	14:42:31	14:48:08				0:05:00		1st active	
6/12/2025	1912-25	San Juan	3001 N Real Longoria Rd	26 - Sick Person (Specific Diagnosis)	18:52:19	18:53:00	18:53:28	18:58:05	19:17:19	19:24:17		0:05:05		1st active	
6/12/2025	1914-25	San Juan	3001 N Real Longoria Rd	32 - Unknown Problem (Person Down)	20:25:33	20:25:45	20:29:31	20:37:41				0:11:56		1st active	
6/12/2025	1916-25	San Juan	711 E Moore Dr	06 - Breathing Problems	21:09:53	21:10:37	21:11:18	21:16:37	21:35:01	21:47:50	22:22:08	0:06:00	03:46 Min OOC, responded from S.J. station	1st active	
6/12/2025	1917-25	San Juan	5102 N Real Longoria Rd	31 - Unconscious / Fainting (Near)	21:10:03	21:10:51	21:14:20	21:20:11	21:40:07	21:49:37	22:19:58	0:09:20		2nd active	
6/12/2025	1918-25	San Juan	301 E Expressway 83	17 - Falls	22:19:48	22:20:52	22:21:31	22:29:15				0:08:23		2nd active	
6/12/2025	1918-25	San Juan	3811 Jencia St	31 - Unconscious / Fainting (Near)	23:23:34	23:23:47	23:25:33	23:29:54				0:06:07		1st active	
6/12/2025	1918-25	San Juan	822 W Business 83	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	0:36:29	0:36:46	0:37:17	0:45:03	0:56:33	1:00:21	1:21:44	0:08:17		1st active	
6/12/2025	1918-25	San Juan	2001 N RAUL LONGORIA RD	26 - Sick Person (Specific Diagnosis)	7:50:22	7:50:40	7:50:44	7:54:01	8:03:01	8:03:01	8:03:01	0:03:21		1st active	
6/12/2025	1920-25	San Juan	3701 N Real Longoria Rd	29 - Traffic Collision / Transportation Incident	11:47:51	11:48:44	11:49:04	11:54:16				0:05:32		1st active	
6/12/2025	1921-25	San Juan	1604 Sol St	32 - Unknown Problem (Person Down)	13:33:16	13:34:09	13:34:26	13:40:44				0:06:35		1st active	
6/12/2025	1921-25	San Juan	118 Sandra St	26 - Sick Person (Specific Diagnosis)	15:10:40	15:11:05	15:11:42	15:14:36	15:27:47	15:40:53	16:14:22	0:03:31		1st active	
6/12/2025	1922-25	San Juan	118 W 3rd St	06 - Breathing Problems	18:23:01	18:23:13	18:25:16	18:29:22	18:39:20	18:53:30	19:26:09	0:06:08		1st active	
6/12/2025	1922-25	San Juan	1905 W Teane Ave	04 - Assault / Sexual Assault / Gun Gun	20:32:30	20:32:35	20:33:21	20:41:50	20:54:52	21:15:08	21:46:06	0:09:15		1st active	
6/12/2025	1921-25	San Juan	204 E 9th St	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	22:34:44	22:35:00	22:37:13	22:34:17	22:41:26	22:53:26	23:42:36	0:09:17		2nd active	
6/12/2025	1928-25	San Juan	200 Jencia St	29 - Traffic Collision / Transportation Incident	21:54:51	21:54:56	21:55:50	22:58:55	0:02:49	0:13:29	0:50:38	0:03:59	In compliance with response time	1st active	
6/12/2025	1928-25	San Juan	702 Eldora Rd	06 - Breathing Problems	1:21:03	1:21:23	1:24:54	1:27:50	1:43:43	1:54:22	2:38:56	0:08:27		1st active	
6/12/2025	1928-25	San Juan	403 Zebra Rd	26 - Sick Person (Specific Diagnosis)	1:33:59	1:34:41	1:41:07	1:51:36				0:16:54		1st active	
6/12/2025	1930-25	San Juan	426 W 12th St	06 - Breathing Problems	5:57:27	5:57:59	5:58:28	5:59:54	5:57:48	5:51:33	6:38:40	0:15:56	No coverage in the city, responded from Alamo, 07:09 Min OOC delay	2nd active	
6/12/2025	1930-25	San Juan	5101 N Real Longoria Rd	05 - Bad Pain (Non-Traumatic or Non-Report Training)	6:59:03	6:59:09	7:03:17	7:09:30	7:17:58	7:28:15	8:26:27	0:09:40		1st active	
6/12/2025	1930-25	San Juan	708 Citrus St	31 - Unconscious / Fainting (Near)	11:03:23	11:03:49	11:05:58	11:14:52	11:31:36	11:42:20	12:20:17	0:11:03	Traffic delay, responded from S.J. RCR FSEER	1st active	
6/12/2025	1930-25	San Juan	800 E Inmate 2	29 - Traffic Collision / Transportation Incident	11:18:16	11:18:16	11:19:25	11:22:32	11:45:38	11:49:51	12:44:22	0:04:16		2nd active	
6/12/2025	1930-25	San Juan	801 E Inmate 2	29 - Traffic Collision / Transportation Incident	20:23:24	20:23:30	20:25:51	20:35:28	20:47:33	20:59:21	21:54:56	0:11:58	05:21 Min OOC, responded from S.J. station	1st active	
6/12/2025	1930-25	San Juan	2010 Citrus Ave	31 - Unconscious / Fainting (Near)	20:39:03	20:39:10	20:39:35	20:47:22	20:55:05	21:07:47	21:36:18	0:08:12		2nd active	
6/12/2025	1930-25	San Juan	1605 N Real Longoria Rd	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	22:15:28	22:15:28	22:15:51	22:22:08				0:08:50		1st active	
6/12/2025	1930-25	San Juan	1105 S O St	26 - Sick Person (Specific Diagnosis)	2:28:05	2:28:20	2:31:15	2:35:49	0:06:46	0:16:47	0:40:24	0:07:28	No coverage in the city, responded from Pharr interchange traffic delay	1st active	
6/12/2025	1930-25	San Juan	2003 N Real Longoria Rd	26 - Sick Person (Specific Diagnosis)	6:09:46	6:09:58	6:09:37	6:15:47	6:34:00	6:34:00	6:34:00	0:07:38		1st active	
6/12/2025	1940-25	San Juan	3008 N Real Longoria Rd	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	10:54:12	10:54:12	10:54:55	10:59:04	11:26:00	11:49:58	12:17:18	0:04:52		1st active	
6/12/2025	1943-25	San Juan	W 2th St & S San Antonio Ave	29 - Traffic Collision / Transportation Incident	11:44:50	11:45:15	11:46:20	11:53:36	12:16:52	12:25:01	13:04:05	0:07:47		2nd active	
6/12/2025	1945-25	San Juan	2003 N Real Longoria Rd	29 - Traffic Collision / Transportation Incident	11:57:54	11:57:59	11:58:10	12:06:46	15:41:07	15:49:32	16:20:28	0:08:42		1st active	
6/12/2025	1947-25	San Juan	415 Aspiroes Blvd	31 - Heart Problems / A.I.C.D	15:16:52	15:16:55	15:17:40	15:22:37				0:05:05		1st active	
6/12/2025	1950-25	San Juan	302 Sunset St	26 - Sick Person (Specific Diagnosis)	19:02:03	19:02:12	19:03:12	19:07:17	23:42:10	23:44:32	23:57:21	0:31:08	Traffic delay, responded from S.J. station	1st active	
6/12/2025	1952-25	San Juan	5102 N Real Longoria Rd	06 - Breathing Problems	23:46:17	23:46:24	23:50:57	0:00:21	0:18:31	0:30:09	1:09:16	0:11:57		2nd active	

6/11/2025	15653-25	San Juan	2033 Grandex Dr	06 - Breathing Problems	11:55:08	11:55:40	11:57:25	12:01:59	12:18:54	12:34:53	0:06:19	13:34:53	0:06:19	1st active	
6/11/2025	15672-25	San Juan	1604 Scotty St	26 - Sick Person (Specific Diagnosis)	13:27:25	13:27:36	13:29:36	13:39:24	14:07:07	14:23:43	0:11:48	14:46:22	0:11:48	2nd active	
6/11/2025	15612-25	San Juan	108 Sally Ave	12 - Convulsions / Seizures	22:49:20	22:49:20	22:50:22	22:55:15	23:05:25	23:15:12	0:05:51	23:59:01	0:05:51	1st active	
6/11/2025	15617-25	San Juan	700 W Business Rd	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	22:44:57	22:45:00	22:45:03	22:54:25	23:08:17	23:24:07	0:09:25	23:54:10	0:09:25	2nd active	
6/12/2025	15622-25	San Juan	595 Alameda St	12 - Convulsions / Seizures	0:04:29	0:04:38	0:07:14	0:10:11			0:05:33		0:05:33	1st active	
6/12/2025	15636-25	San Juan	115 E Railroad St	06 - Cardiac or Respiratory Arrest / Death	2:37:48	2:38:15	2:41:25	2:44:32	2:54:34	3:01:22	0:05:17		0:05:17	1st active	
6/12/2025	15665-25	San Juan	308 Railroad Dr	12 - Convulsions / Seizures	10:37:70	10:37:28	10:42:30	10:47:25	11:03:37	11:18:41	0:09:57	11:59:05	0:09:57	1st active	
6/12/2025	15675-25	San Juan	614 S Kansas Ave	11 - Choking	12:08:07	12:08:16	12:09:06	12:12:31			0:04:15		0:04:15	1st active	
6/12/2025	15682-25	San Juan	400 N Iowa Ave	17 - Falls	13:01:49	13:02:19	13:03:32	13:09:41	13:26:32	13:43:42	0:14:15	14:15:56	0:07:22	1st active	
6/12/2025	15701-25	San Juan	W 7th St & N Antonio St	32 - Unknown Problem (Person Down)	15:13:17	15:13:25	15:15:37	15:18:18			0:04:53		0:04:53	1st active	
6/12/2025	15705-25	San Juan	825 E San Diego St	06 - Breathing Problems	16:27:03	16:27:24	16:31:32	16:37:38	16:53:39	17:07:59	0:17:30	17:36:30	0:10:14	1st active	
6/12/2025	15713-25	San Juan	500 Virgen de San Juan Blvd	05 - Back Pain (Non-Traumatic / Non-Rotational Trauma)	17:27:33	17:27:44	17:25:11	17:34:43	17:46:31	17:59:24	0:14:49	18:44:59	0:10:59	2nd active	
6/12/2025	15762-25	San Juan	1408 Via St	26 - Sick Person (Specific Diagnosis)	22:32:33	22:32:47	22:33:14	22:43:08	22:54:54	23:06:47	0:09:18	23:26:32	0:09:18	1st active	
6/12/2025	15769-25	San Juan	3006 N Raul Longoria Rd	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	10:22:52	10:23:13	10:23:52	10:28:21	10:46:07	10:55:08	0:12:52	11:34:03	0:05:08	2nd active	
6/12/2025	15803-25	San Juan	207 Alva St	26 - Sick Person (Specific Diagnosis)	19:58:40	19:58:58	19:59:37	19:08:55	19:19:54	19:34:03	0:07:07	19:58:08	0:07:07	1st active	
6/12/2025	15811-25	San Juan	900 E Court Dr	06 - Breathing Problems	12:24:24	12:24:32	12:25:24	12:28:30	12:37:50	12:44:32	0:04:18	13:03:21	0:04:18	2nd active	
6/12/2025	15816-25	San Juan	307 E 117 St	31 - Unconscious / Fainting (Near)	13:11:33	13:12:15	13:14:13	13:16:43	13:35:13	13:56:50	0:04:28	14:18:34	0:04:28	1st active	
6/12/2025	15824-25	San Juan	1604 Via St	26 - Sick Person (Specific Diagnosis)	13:58:43	13:58:43	13:59:34	14:03:51			0:05:08		0:05:08	2nd active	
6/12/2025	15836-25	San Juan	512 W Hudson St	32 - Unknown Problem (Person Down)	15:20:30	15:21:31	15:22:26	15:25:47	15:44:11	16:05:54	0:16:27	16:33:30	0:04:16	1st active	
6/12/2025	15860-25	San Juan	327 E 3rd St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	17:44:36	17:44:54	17:44:58	17:50:41	18:14:03	18:32:02	0:05:47	18:56:02	0:05:47	1st active	
6/12/2025	15881-25	San Juan	1408 Via St	26 - Sick Person (Specific Diagnosis)	22:05:44	22:06:05	22:06:52	22:14:05	22:45:15	23:03:04	0:08:00	23:34:04	0:08:00	1st active	
6/12/2025	15885-25	San Juan	1308 Mylar St	06 - Breathing Problems	22:49:44	22:50:02	22:50:21	22:55:20	23:16:04	23:35:30	0:03:39	23:58:30	0:03:39	2nd active	
6/12/2025	15892-25	San Juan	116 W 4th St	23 - Overdose / Poisoning / Ingestion	23:55:30	23:55:49	23:56:47	0:02:32			0:06:43		0:06:43	2nd active	
6/12/2025	15893-25	San Juan	110 Alva St	03 - Animal Bites / Attacks	0:25:30	0:25:48	0:26:34	0:28:26	0:37:29	0:50:04	0:14:22	1:14:22	0:02:38	2nd active	
6/12/2025	15893-25	San Juan	116 W 4th St	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	4:34:40	4:35:55	4:36:49	4:44:17	4:58:45	5:08:55	0:08:21	5:26:59	0:08:21	1st active	
6/12/2025	15893-25	San Juan	E 116 St & N Nebraska Ave	26 - Sick Person (Specific Diagnosis)	6:13:30	6:13:35	6:13:53	6:17:24	6:26:33	6:27:37	0:05:15	6:33:49	0:03:49	1st active	
6/12/2025	15913-25	San Juan	1620 H Raul Longoria Rd	26 - Sick Person (Specific Diagnosis)	19:19:15	19:19:22	19:22:14	19:26:11	19:39:29	19:50:05	0:10:50	20:17:54	0:06:49	1st active	
6/12/2025	15922-25	San Juan	301 E Carroll Rd	17 - Falls	19:49:22	19:49:38	19:50:14	19:59:12	20:15:50	20:29:39	0:16:27	20:59:36	0:09:36	2nd active	
6/12/2025	15965-25	San Juan	5102 N Raul Longoria Rd	06 - Breathing Problems	19:51:46	19:51:56	19:52:33	20:05:26	20:17:45	20:29:01	0:13:30	21:20:40	0:13:30	3rd active	
6/12/2025	20011-25	San Juan	1205 State Hwy 495	32 - Unknown Problem (Person Down)	0:28:52	0:29:07	0:30:04	0:39:04			0:09:57		0:09:57	1st active	
6/12/2025	20017-25	San Juan	It Cesar Chavez Rd & E Business Hwy 83	29 - Traffic Collision / Transportation Incident	2:28:53	2:29:00	2:34:04	2:38:08			0:09:08		0:09:08	1st active	
6/12/2025	20030-25	San Juan	3507 N Raul Longoria Rd	17 - Falls	6:06:45	6:06:57	6:08:05	6:09:47			0:03:50		0:03:50	1st active	
6/12/2025	20036-25	San Juan	117 W 7th St	23 - Overdose / Poisoning / Ingestion	9:25:36	9:25:46	9:26:40	9:38:26	9:47:18	9:58:10	0:12:40	10:38:25	0:12:40	1st active	
6/12/2025	20054-25	San Juan	300 W Exp 43	29 - Traffic Collision / Transportation Incident	15:03:04	15:03:16	15:03:18	15:09:28	15:31:15	15:34:14	0:16:01	16:01:11	0:06:12	1st active	
6/12/2025	20054-25	San Juan	300 W Exp 43	29 - Traffic Collision / Transportation Incident	15:03:04	15:03:16	15:03:18	15:09:28	15:31:15	15:34:14	0:16:01	16:01:11	0:06:12	2nd active	
6/12/2025	20057-25	San Juan	700 Maldonado St	26 - Unknown Problem (Person Down)	15:30:14	15:30:24	15:30:37	15:35:38	15:52:35	16:03:24	0:16:39	16:39:48	0:05:14	2nd active	
6/12/2025	20059-25	San Juan	307 S Liberty Loop	24 - Pregnancy / Childbirth / Miscarriage	16:18:40	16:19:07	16:19:17	16:25:31	16:44:25	16:55:21	0:17:34	17:34:04	0:08:24	2nd active	
6/12/2025	20068-25	San Juan	1603 Angelita Dr	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	21:36:42	21:36:57	21:39:11	21:48:30	21:53:23	22:28:55	0:11:33	22:28:55	0:11:33	1st active	
6/12/2025	20126-25	San Juan	618 S Kansas Ave	01 - Abnormal Pain / Shock	7:38:26	7:38:55	7:41:02	7:50:28	8:06:02	8:18:09	0:11:23	8:46:53	0:11:23	1st active	
6/12/2025	20129-25	San Juan	900 N NEBRASKA AVE	26 - Sick Person (Specific Diagnosis)	9:01:59	9:02:13	9:02:41	9:04:03	9:31:06	9:40:47	0:10:50	10:10:50	0:10:50	1st active	
6/12/2025	20131-25	San Juan	320 W Interstate Hwy 2	17 - Falls	9:25:45	9:26:13	9:27:33	9:35:33	9:58:47	10:12:32	0:15:41	10:51:41	0:09:20	1st active	
6/12/2025	20158-25	San Juan	3507 N Raul Longoria Rd	32 - Unknown Problem (Person Down)	15:02:36	15:02:36	15:01:23	15:05:02	15:26:55	15:37:33	0:08:55	15:37:33	0:08:55	1st active	
6/12/2025	20165-25	San Juan	203 W Hazel St	26 - Sick Person (Specific Diagnosis)	15:45:46	15:46:38	15:47:19	16:20:46			0:08:54		0:08:54	2nd active	
6/12/2025	20168-25	San Juan	1006 Copel Ln	04 - Assault / Sexual Assault / Stun Gun	16:11:35	16:11:51	16:12:19	16:20:46			0:08:54		0:08:54	1st active	
6/12/2025	20173-25	San Juan	E Dickler Rd & S Stewart Rd	26 - Traffic Collision / Transportation Incident	18:44:45	18:45:43	18:46:03	18:50:02	19:07:11	19:12:43	0:19:25	19:28:57	0:04:19	1st active	
6/12/2025	20190-25	San Juan	520 W Interstate Hwy 2	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	19:46:18	19:46:23	19:46:58	19:50:34	20:00:56	20:12:06	0:20:37	20:37:23	0:04:11	1st active	
6/12/2025	20200-25	San Juan	108 Sandy Ave	26 - Sick Person (Specific Diagnosis)	20:32:07	20:32:24	20:32:34	20:39:55	21:09:58	21:22:23	0:14:29	21:43:29	0:07:31	2nd active	
6/12/2025	20207-25	San Juan	400 N Iowa Ave	26 - Sick Person (Specific Diagnosis)	6:20:57	6:21:16	6:21:58	6:32:12	6:44:01	6:55:11	0:10:54	7:52:07	0:10:54	1st active	
6/12/2025	20311-25	San Juan	327 E 3rd St	32 - Unknown Problem (Person Down)	9:08:46	9:09:14	9:11:14	9:16:44			0:07:30		0:07:30	1st active	
6/12/2025	20433-25	San Juan	2217 S Stewart Rd	06 - Breathing Problems	9:37:00	9:37:42	9:38:05	9:41:45	9:57:26	10:06:16	0:04:32	10:47:32	0:04:32	1st active	
6/12/2025	20436-25	San Juan	410 W 12th St	06 - Breathing Problems	10:25:04	10:25:25	10:37:46	10:47:11	11:01:00	11:20:37	0:13:50	12:03:50	0:11:46	2nd active	
6/12/2025	20520-25	San Juan	1202 S Standard Ave	26 - Sick Person (Specific Diagnosis)	19:33:38	19:33:45	19:34:41	19:39:39			0:05:54		0:05:54	1st active	
6/12/2025	20520-25	San Juan	1601 E 7th St	04 - Assault / Sexual Assault / Stun Gun	20:14:01	20:14:06	20:14:26	20:22:07			0:08:01		0:08:01	1st active	
6/12/2025	20518-25	San Juan	102 N Veterans Blvd	13 - Diabetic Problems	23:11:28	23:11:33	23:13:15	23:22:13	23:31:43	23:44:32	0:20:02	24:04:32	0:10:40	2nd active	
6/12/2025	2037-25	San Juan	E U.S. Business Rd & S Veterans Blvd	03 - Animal Bites / Attacks	0:08:17	0:08:20	0:08:31	0:12:52	0:32:40	0:41:20	1:45:30	2:05:12	2:47:46	0:04:32	2nd active
6/12/2025	20404-25	San Juan	410 W 13th St	29 - Traffic Collision / Transportation Incident	8:59:15	8:59:01	9:01:53	9:08:03	9:27:17	9:36:11	0:11:12	9:49:14	0:08:02	2nd active	
6/12/2025	20498-25	San Juan	418 San Marcos St	06 - Breathing Problems	10:59:28	10:59:35	10:59:59	11:09:18	11:21:02	11:34:05	0:09:43	11:57:36	0:09:43	1st active	
6/12/2025	20624-25	San Juan	110 W 9th St	26 - Sick Person (Specific Diagnosis)	11:37:25	11:37:32	11:37:40	11:42:26			0:04:54		0:04:54	2nd active	
6/12/2025	20625-25	San Juan	130 E Business Rd	31 - Unconscious / Fainting (Near)	15:29:18	15:29:33	15:30:01	15:37:33	15:54:33	16:02:41	0:08:00	16:05:47	0:08:00	1st active	
6/12/2025	20625-25	San Juan	1527 Court Dr	31 - Unconscious / Fainting (Near)	15:29:18	15:29:33	15:30:01	15:37:33	15:54:33	16:02:41	0:08:00	16:05:47	0:08:00	2nd active	
6/12/2025	20625-25	San Juan	214 E Chippewa St	32 - Unknown Problem (Person Down)	18:43:37	18:44:10	18:43:45	18:50:46	19:03:51	19:13:37	0:05:28	19:58:50	0:05:28	1st active	
6/12/2025	20116-25	San Juan	3110 N Raul Longoria Rd	12 - Convulsions / Seizures	22:36:15	22:36:25	22:36:25	22:42:43	22:43:32	22:44:42	0:05:63	23:23:42	0:05:63	1st active	
6/12/2025	20133-25	San Juan	801 Alameda St	26 - Sick Person (Specific Diagnosis)	23:36:15	23:36:25	23:36:25	23:42:43	22:43:32	22:44:42	0:05:63	23:23:42	0:05:63	1st active	
6/12/2025	20455-25	San Juan	1408 Via St	21 - Hemorrhage / Bleeding / Lacerations	2:09:17	2:09:38	2:17:16	2:25:22	0:02:37	0:16:10	0:44:25	0:39:46	0:39:46	1st active	
6/12/2025	20455-25	San Juan	305 W Amy Dr	26 - Sick Person (Specific Diagnosis)	9:44:25	9:44:25	9:44:42	9:48:31			0:04:02		0:04:02	1st active	
6/12/2025	20455-25	San Juan	2301 N PAUL LONGORIA RD	26 - Sick Person (Specific Diagnosis)	10:19:47	10:20:26	10:20:58	10:24:26	10:42:39	10:55:11	0:12:27	11:22:37	0:04:00	1st active	
6/12/2025	20485-25	San Juan	605 Orange St	17 - Falls	11:26:21	11:26:21	11:26:50	11:31:40	11:59:03	12:03:13	0:03:13	12:03:13	0:03:13	1st active	
6/12/2025	20523-25	San Juan	2301 N PAUL LONGORIA RD	26 - Sick Person (Specific Diagnosis)	13:10:56	13:10:56	13:12:47	13:20:31	13:36:36	13:51:32	0:14:16	14:16:49	0:09:21	1st active	
6/12															

6/21/2025	20696-25	San Juan	400 S Nadeaska Ave	29 - Traffic Collision / Transportation Incident	11:54:13	11:54:22	11:54:58	12:01:51	12:19:39	12:30:12	13:45:57	0:07:29				3rd active
6/21/2025	20744-25	San Juan	416 W Business 83	26 - Sick Person (Specific Diagnosis)	19:37:05	19:37:42	19:38:53	19:50:30	20:12:18	20:24:27	21:09:54	0:12:48				1st active
6/21/2025	20750-25	San Juan	1408 Lila St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	19:59:49	20:00:33	20:01:32	20:09:01	20:19:54	20:41:15	21:22:38	0:08:28				2nd active
6/21/2025	20753-25	San Juan	1408 Lila St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	20:19:57	20:20:02	20:20:04	20:20:05	20:20:08	20:41:06	21:22:38	0:00:03				1st active
6/22/2025	20772-25	San Juan	5101 N Raul Longoria Rd	18 - Headache	23:55:48	23:55:48	23:55:51	23:56:21	0:08:14	0:15:11	0:25:11	0:12:21				1st active
6/22/2025	20775-25	San Juan	218 Rialdi Dr	04 - Assault / Sexual Assault / Stun Gun	0:17:55	0:18:15	0:20:49	0:29:25	1:09:02	1:18:04	1:35:10	0:11:10				2nd active
6/22/2025	20804-25	San Juan	410 W 13th St	17 - Falls	10:43:30	10:43:36	10:44:27	10:48:44				0:05:08				1st active
6/22/2025	20807-25	San Juan	211 W Hazel St	17 - Falls	16:16:38	16:17:02	16:17:23	16:20:36	16:35:00	16:46:07	17:11:58	0:03:34				1st active
6/22/2025	20863-25	San Juan	500 San Martin St	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	22:41:57	22:42:00	22:45:19	22:49:21				0:07:21				1st active
6/22/2025	20865-25	San Juan	1319 Mayfair St	24 - Pregnancy / Childbirth / Miscarriage	2:43:37	2:43:59	2:46:46	2:54:56	3:00:31	3:16:31	3:28:52	0:10:57				1st active
6/22/2025	20863-25	San Juan	4307 N Veterans Blvd	31 - Unconscious / Fainting (Head)	8:11:08	8:11:28	8:12:18	8:23:57	8:46:29	8:46:31	8:55:38	0:11:58				1st active
6/22/2025	20884-25	San Juan	900 E Business 83	17 - Falls	8:27:38	8:28:13	8:28:36	8:36:52				0:08:39				2nd active
6/22/2025	20886-25	San Juan	404 10th Dr	26 - Sick Person (Specific Diagnosis)	8:51:25	8:51:59	8:52:01	8:55:55	9:22:20	9:35:18	10:05:21	0:05:26				1st active
6/22/2025	20921-25	San Juan	600 W 1st St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	14:09:23	14:09:39	14:09:56	14:12:23				0:02:44				1st active
6/22/2025	20927-25	San Juan	Rail Longoria Rd & Overseas Rd	25 - Traffic Collision / Transportation Incident	15:04:10	15:04:52	15:06:04	15:14:29	15:19:43	16:33:40	17:05:24	0:08:37				2nd active
6/22/2025	20934-25	San Juan	Health N Raul Longoria Rd & Overseas Rd	25 - Traffic Collision / Transportation Incident	16:07:46	16:07:52	16:12:21	16:25:31	16:47:11	16:48:36	17:39:21	0:13:11				1st active
6/22/2025	20936-25	San Juan	185 W 9th St	20 - Head / Cold Exposure	16:16:05	16:16:18	16:17:22	16:25:31	17:57:07	18:10:16	18:32:58	0:07:39				1st active
6/22/2025	20945-25	San Juan	500 Sallen Dr	31 - Unconscious / Fainting (Head)	18:36:11	18:36:12	18:36:40	18:45:38	18:56:45	19:06:19	19:32:28	0:09:06				1st active
6/22/2025	20950-25	San Juan	1092 Buffalo Ave	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	23:53:04	23:53:14	23:55:54	0:04:20				0:11:08				1st active
6/22/2025	20976-25	San Juan	702 Fish Dr	31 - Unconscious / Fainting (Head)	6:17:08	6:17:20	6:20:54	23:55	4:35:16	4:46:03	5:03:47	0:08:35				1st active
6/22/2025	20983-25	San Juan	2008 Pueno Valera Dr	06 - Breathing Problems	6:41:58	6:42:03	6:43:52	6:51:31	7:13:36	7:30:50	8:01:08	0:09:28				1st active
6/22/2025	21003-25	San Juan	3001 N HERASIA AVE	29 - Traffic Collision / Transportation Incident	9:35:59	9:37:04	9:37:10	10:00:47	10:22:35	10:33:28	11:02:12	0:03:43				1st active
6/22/2025	21016-25	San Juan	RM05 N Raul Longoria Rd	26 - Sick Person (Specific Diagnosis)	10:43:34	10:44:05	10:45:28	10:56:45	11:14:49	11:25:16	12:13:41	0:12:40				2nd active
6/22/2025	21024-25	San Juan	5102 N Raul Longoria Rd	26 - Sick Person (Specific Diagnosis)	12:19:00	12:19:09	12:20:31	12:23:17	12:49:12	13:07:03	14:05:47	0:04:08				1st active
6/22/2025	21035-25	San Juan	616 Cedar Palm St	17 - Falls	14:25:35	14:25:48	14:26:24	14:31:43	14:49:18	14:55:20	15:21:34	0:05:54				1st active
6/22/2025	21048-25	San Juan	1701 E Expressway 83	17 - Falls	17:29:56	17:30:21	17:34:16	17:41:21	17:57:28	18:10:24	18:50:02	0:11:00				1st active
6/22/2025	21071-25	San Juan	308 W San Diego St	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	20:15:17	20:15:23	20:20:02	20:23:52				0:08:25				1st active
6/22/2025	21084-25	San Juan	2301 N RAUL LONGORIA RD	26 - Sick Person (Specific Diagnosis)	6:56:26	6:56:37	6:58:05	7:04:41	7:30:25	7:50:09	8:10:37	0:00:06				1st active
6/22/2025	21142-25	San Juan	N Cesar Chavez Rd & SOT Leonel Trueno Rd	29 - Traffic Collision / Transportation Incident	7:14:25	7:14:55	7:14:41	7:14:41	7:30:25	7:50:09	8:10:37	0:00:06				1st active
6/22/2025	21143-25	San Juan	N Cesar Chavez Rd & SOT Leonel Trueno Rd	29 - Traffic Collision / Transportation Incident	8:12:20	8:14:09	8:14:26	8:23:26	8:33:12	8:36:45	8:51:04	0:09:17				1st active
6/22/2025	21145-25	San Juan	205 W 6th St	26 - Sick Person (Specific Diagnosis)	9:10:16	9:10:28	9:11:10	9:14:08	9:43:17	10:03:40	10:40:28	0:03:40				1st active
6/22/2025	21150-25	San Juan	130 E Business 83	31 - Unconscious / Fainting (Head)	14:55:50	14:56:05	14:57:00	14:59:32	15:19:20	15:28:50	15:43:28	0:03:27				1st active
6/22/2025	21180-25	San Juan	512 S Nadeaska Ave	17 - Falls	16:38:03	16:38:24	16:39:01	16:51:06	17:10:21	17:29:40	17:55:15	0:17:35				1st active
6/22/2025	21189-25	San Juan	1105 Ridge Ln	26 - Sick Person (Specific Diagnosis)	17:04:51	17:05:38	17:06:44	17:23:13	17:41:44	17:55:36	18:15:34	0:17:35				2nd active
6/22/2025	21205-25	San Juan	3008 N Raul Longoria Rd	17 - Falls	18:41:38	18:42:00	18:42:35	18:47:02	7:01:21	7:26:47	8:24:08	0:13:31				1st active
6/22/2025	21217-25	San Juan	2008 Relmas St	04 - Assault / Sexual Assault / Stun Gun	6:48:11	6:48:28	6:52:08	6:59:19	7:01:21	7:26:47	8:24:08	0:13:31				1st active
6/22/2025	21252-25	San Juan	209 W 6th St	26 - Sick Person (Specific Diagnosis)	14:18:25	14:18:42	14:19:55	14:28:17	14:42:15	14:56:50	15:37:03	0:09:35				1st active
6/22/2025	21260-25	San Juan	512 S Nadeaska Ave	17 - Falls	17:00:29	17:00:44	17:02:10	17:13:06	17:22:52	17:36:07	18:40:04	0:12:22				1st active
6/22/2025	21316-25	San Juan	1307 Rio Grande St	21 - Hemorrhage (Bleeding) / Lacerations	17:00:29	17:01:47	17:22:56	17:34:10				0:12:23				2nd active
6/22/2025	21318-25	San Juan	2105 Fresno St	17 - Falls	20:09:32	20:09:36	20:10:16	20:17:32				0:07:56				1st active
6/22/2025	21334-25	San Juan	400 N Iowa Ave	10 - Chest Pain / Chest Discomfort (Non-Traumatic)	20:09:32	20:09:36	20:10:16	20:17:32				0:07:56				1st active
6/22/2025	21377-25	San Juan	109 Sandy Ave	26 - Sick Person (Specific Diagnosis)	0:00:33	0:00:39	0:02:13	0:08:35	0:13:29	0:27:37	1:08:34	0:07:56				1st active
6/22/2025	21396-25	San Juan	400 N Iowa Ave	06 - Breathing Problems	3:55:20	3:56:04	3:57:27	4:07:18	4:26:33	4:37:40	5:08:46	0:11:14				1st active
6/22/2025	21397-25	San Juan	1320 Shuffled St	06 - Breathing Problems	6:15:52	6:16:59	6:20:28	6:32:48	6:46:40	6:58:56	7:28:14	0:15:49				1st active
6/22/2025	21398-25	San Juan	600 Farm to Market 465	05 - Back Pain (Non-Traumatic or Non-Recent Trauma)	7:43:12	7:43:22	7:44:04	7:49:31	8:01:29	8:14:13	8:41:40	0:08:09				1st active
6/22/2025	21399-25	San Juan	201 N RAUL LONGORIA RD	01 - Abdominal Pain / Problems	9:33:44	9:33:52	9:37:35	9:41:31	10:00:21	10:11:09	10:44:30	0:07:39				1st active
6/22/2025	21417-25	San Juan	315 South Cesar Chavez Road	26 - Sick Person (Specific Diagnosis)	13:06:46	13:07:08	13:08:42	13:15:00	13:32:11	14:13:44	14:39:15	0:07:52				1st active
6/22/2025	21432-25	San Juan	2001 N RAUL LONGORIA RD	26 - Sick Person (Specific Diagnosis)	15:45:40	15:45:51	15:46:55	15:55:03	16:10:15	16:10:17	16:10:17	0:09:12				1st active
6/22/2025	21437-25	San Juan	302 E Lucia St	12 - Convulsions / Seizures	16:10:25	16:11:09	16:13:33	16:15:49	16:39:23	16:50:31	17:23:00	0:04:40				1st active
6/22/2025	21479-25	San Juan	315 E Canfield St	01 - Abdominal Pain / Problems	0:53:47	0:53:57	1:00:08	1:04:34				0:10:37				1st active
6/22/2025	21485-25	San Juan	1320 Shuffled St	06 - Breathing Problems	4:29:27	4:29:43	4:32:02	4:38:07				0:08:24				1st active
6/22/2025	21491-25	San Juan	4300 S Stewart Rd	29 - Traffic Collision / Transportation Incident	5:46:41	5:46:55	5:47:47	5:57:38	6:09:19	6:26:09	7:02:49	0:10:43				1st active
6/22/2025	21523-25	San Juan	1301 S Lincoln Ave	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	14:39:09	14:39:20	14:40:00	14:44:22	15:13:24	15:22:52	15:49:22	0:05:02				1st active
6/22/2025	21542-25	San Juan	505 San Jose St	32 - Unknown Problem (Person Down)	18:21:59	18:22:11	18:23:32	18:27:58				0:05:47				1st active
6/22/2025	21570-25	San Juan	Hall Acres Rd & S Stewart Rd	29 - Traffic Collision / Transportation Incident	22:51:18	22:51:25	22:52:35	23:00:44	23:17:25	23:26:38	0:55:49	0:09:19				1st active
6/22/2025	21572-25	San Juan	Hall Acres Rd & S Stewart Rd	29 - Traffic Collision / Transportation Incident	23:01:22	23:01:28	23:01:45	23:11:01	23:28:03	23:46:10	0:16:45	0:09:33				2nd active
6/22/2025	21576-25	San Juan	800 W U.S. Hwy 83	26 - Sick Person (Specific Diagnosis)	23:45:40	23:45:49	23:45:57	23:51:43	23:58:27	0:08:14	1:19:40	0:05:54				2nd active
6/22/2025	21591-25	San Juan	1320 Shuffled St	06 - Breathing Problems	0:09:28	0:09:36	0:11:41	0:19:01				0:09:25				3rd active
6/22/2025	21627-25	San Juan	1325 Mayfair St	12 - Convulsions / Seizures	12:26:46	12:27:16	12:28:36	12:32:12	12:39:22	12:50:15	13:18:23	0:04:58				1st active
6/22/2025	21633-25	San Juan	1213 Menard Ln	31 - Unconscious / Fainting (Head)	12:55:42	12:56:23	12:56:51	13:08:35	13:24:10	13:54:20	14:24:38	0:12:12				2nd active
6/22/2025	21637-25	San Juan	2013 Pueno Valera Dr	12 - Convulsions / Seizures	13:18:39	13:19:13	13:19:37	13:30:18	13:39:33	13:54:06	14:19:52	0:11:05				2nd active
6/22/2025	21646-25	San Juan	510 W Hall Acres Rd	29 - Traffic Collision / Transportation Incident	13:59:33	13:59:57	14:05:59	14:14:53				0:14:56				3rd active
6/22/2025	21650-25	San Juan	2019 Loma Azul St	26 - Sick Person (Specific Diagnosis)	15:08:25	15:08:41	15:11:06	15:16:31	15:28:43	15:42:48	16:17:20	0:07:50				1st active
6/22/2025	21653-25	San Juan	212 W Hazel St	25 - Psychiatric / Abnormal Behavior / Suicide Attempt	15:43:22	15:43:50	15:47:10	15:53:36	15:58:44	16:18:40	16:47:20	0:09:46				2nd active
6/22/2025	21653-25	San Juan	400 Virgin de San Juan Blvd	12 - Convulsions / Seizures	15:55:18	15:55:24	15:56:20	16:05:15				0:09:25				2nd active
6/22/2025	21662-25	San Juan	900 N US45 BUS	26 - Sick Person (Specific Diagnosis)	16:21:59	16:22:17	16:23:07	16:33:20	16:47:49	16:58:05	18:26:41	0:11:03				3rd active
6/22/2025	21664-25	San Juan	3001 N HERASIA AVE	26 - Sick Person (Specific Diagnosis)	17:08:37	17:08:43	17:09:17	17:18:35	17:32:35	17:43:37	18:08:41	0:08:52				3rd active
6/22/2025	21670-25	San Juan	1335 Mayfair St	12 - Convulsions / Seizures	18:00:02	18:02:44	18:05:14	18:15:53	18:28:48	18:46:33	19:09:53	0:13:09				2nd active
6/22																

42%

FIRE
Percentage of Total
Incidents

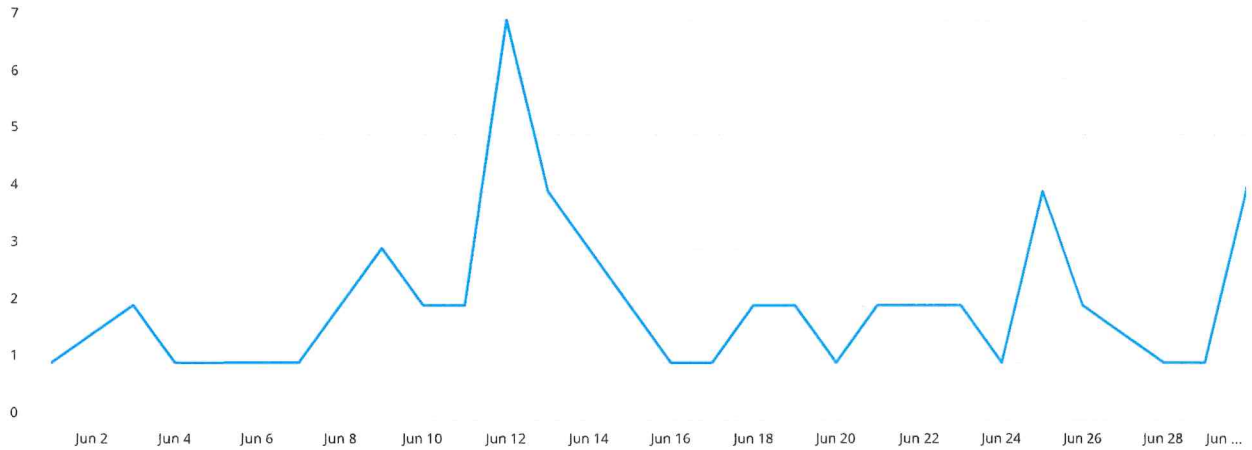
51%

EMS
Percentage of Total
Incidents

45

INCIDENTS
In Selected Time Slice

30

DAYS
In Selected Time Slice

Counts

% Rows

% Columns

% All

Week Ending	6/1/25	6/8/25	6/15/25	6/22/25	6/29/25	7/6/25	7/13/25	7/20/25	7/27/25	8/3/25	8/10/25	8/17/25	8/24/25	Total
(10) Fire, other					1									1
(11) Structure Fire					1									1
(30) Rescue, emergency medical call (EMS), other	1	1	3	1										6
(31) Medical assist			2	1										3
(32) Emergency medical service (EMS) incident		4	1	3	6									14
(44) Electrical wiring/equipm. problem			6											6
(50) Service call, other			2											2
(55) Public service assistance					1									1
(61) Dispatched and canceled en route					1									1
(70) False alarm and false call, other			3	1										4
(73) System or detector malfunction				1										1
(74) Unintentional system/detect... operation (no fire)		1												1
(91) Citizen complaint			1											1
NULL				2	1									3
Total	1	6	18	9	11									45



Mayor: Mario Garza
Mayor Pro-Tem: Marco "Markie" Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus "Jesse" Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Brenda Escalante, City Secretary

DATE: 07/14/2025

SUBJECT: Police Department Monthly Report. [Leandro Sifuentes, Chief of Police]

This memorandum is to keep you all informed on our Monthly operational statistics, and any other significant cases or events that occurred during the month of **JUNE 2025**

STATISTICS: POLICE

	<u>JUNE</u>
• Calls for service:	1,638
• Accidents:	97
• 911 Calls:	1,160
• Patrol Citations Issued:	104
• Violations:	144
• Patrol & CID Arrests:	101
• CID Issued Warrants:	22

SAN JUAN POLICE PERSONNEL:

- All Police officers have been trained in the new citation system (Trusted Driver)

TELE-COMMUNICATORS:

- Nothing to report

FLEET

Older units are still being repaired and outsourced to outside mechanics.

STATISTICS: ANIMAL CONTROL JUNE

• Calls for Service:	35
• Citations Issued:	11
• Violations:	22

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SPECIAL EVENTS:

- National Night Out, August 7, 2025, at 6:00 PM, preparations are being concluded. An estimated 1000 backpacks and school supplies will be distributed.
- The 4th of July Event went smoothly with no major issues or incidents in the public safety sector; one arrest was made on a wanted subject with no issues. One female fell ill in the crowd and was escorted to an ambulance by the FD and PD. All four points of the perimeter of the event were secured by officers and investigators, and 6 tower cameras were deployed at different locations, being monitored by the communications division inside the command post. A total of 26 officers were securing the grounds, parking lots, backstage, and perimeters.

Respectfully,
Leandro Sifuentes
Chief of Police



Mayor: Mario Garza
Mayor Pro-Tem: Marco “Markie” Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus “Jesse” Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager

FROM: Mary Enriquez, Court Administrator

DATE: 07/15/2025

SUBJECT: Municipal Court Monthly Report. [Mary Enriquez, Court Administrator]

The Municipal Court is responsible for the legal enforcement of City Ordinances and laws. It deposits and prepares daily reports to the Department of Finance.

Amount Collected \$ 19,623.02

Defensive Driving 0

Deferred 0

Pre-Trials 4

Bench Trials 0

Scofflaw \$ 2,656.02

COLLECTIONS 2024 COLLECTIONS 2025

June - \$ 18,954.00 June - \$ 19,623.02

CITATIONS ISSUED 2024 CITATIONS ISSUED 2025

June - 118 June - 104

SCOFFLAW COLLECTIONS 2024 SCOFFLAW COLLECTIONS 2025

June - \$ 1,183.90 June - \$ 2,656.02

Magistrates: In person

Judge Eloy Hernandez Judge Roberto Garza Judge Jorge Zambrano Judge AJ Garcia

3

7

14

1

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Mayor: Mario Garza
Mayor Pro-Tem: Marco “Markie” Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus “Jesse” Ramirez

MEMORANDUM

TO: Tirso Garza, Interim City Manager
FROM: Juan Martinez, Utilities Director
DATE: 07/14/2025
SUBJECT: Department of Utilities Monthly Report. [Juan Carlos Martinez, Director of Utilities]

June 2025

Texas Drought Outlook

- 30% of Texas is in a drought (07/072025)
- RGV is Abnormally Dry (No Change in the Watershed)
- Falcon and Amistad are @ 23.95%
- STAGE II IS STILL IN FULL EFFECT

System Outlook

- Water Connections – 7,455
- Sewer Connections – 10,566 (3,452 NAWSC)

Water Treatment Facility

- Combined Gallons Treated: 89.61 MG
- Combined Gallons Produced: 90.672 MG

Water Treatment Facility No. 1

- .992 MG treated
- 39.469 MG delivered
- 23.191 MG Transferred from WTF No. 2
- 35.74 MG RAW (Reservoir)
- 0.075 MG Backwash

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- 0 MG Well

Water Treatment Facility No. 2

- 88.618 Treated
- 51.203 MG Delivered
- 23.191 MG Transferred to WTF No. 1
- 44.11 MG RAW (Reservoir)
- 2.998 MG Backwash

Operated Water Plant as Efficiently as Possible
Sludge Management Continues to be Critical

Water Distribution System

- Leaks – 3
- Breaks – 1
- Taps – 0
- Locates - 7

Water Loss

- Reported – 90,000 gals
- Unreported – 11,500 gals

Hydrants

- Flushed – 27
- Repaired/Replaced – 1
- STAGE II WATER CONSERVATION STILL IN EFFECT

Valves

- Worked – 8
- Repaired/Replaced – 0

Utility Billing

- Work Orders –3

We Continue Our Hydrant and Valve Maintenance

Wastewater Treatment Facility

- Treated – 74.891 MG
- Wetland –3.096 MG

- 196 - Cubic Yards of Sludge Hauled to Landfill

Wastewater Collections

Work orders - 30

- Sewer Main Repaired – 0
- Sewer Backups Reported – 20
- Sewer Backups Cleared – 20
- Odor Complaints – 01
- Locates –09
- Replaced Manhole covers – 0
- Unauthorized Discharges – 0

Administration

Financials

- Administration – 19.99%
- Water Treatment – 35.24%
- Distribution: – 34.68 %
- Sewer Collection – 35.42 %
- Wastewater Treatment – 33.34 %

Projects

- WTF No. 2 Pending TWDB Budget Approval
- WWTF Rehab – Pending Award for Construction.
- Water Plant Storage Shed Construction. 95%.
- Lift Station #6 Pending Notice to Proceed from EPA.
- Comprehensive Water/Wastewater Master Plan 90%, Trimad Consultants LLC
- Vexus Fiber did not do work within City limits during the Month of June.

Certification

- Water Treatment - 0
- Distribution – 0
- Sewer Collection -0
- Wastewater Treatment – 0

- Renewals – 0

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Hold a Public Hearing and Consider an Ordinance Regarding the Rezoning Request from Multi-Family Residence District (R-MF) to General Business District (C-2) of a 1.71-Acre Tract of Land out of Lot 9, San Juan Hacienda Estates Subdivision, Located Approximately 600 feet South of Moore Road, along the East side of Veterans Boulevard, as Requested by Teysha Group, LLC. [Jorge Garcia, Director of Planning]

STAFF COMMENTS AND RECOMMENDATIONS:

The property is located approximately 600 feet South of Moore Road, along the East side of Veterans Boulevard. The property is 135.05' x 552.45', which is 74,608.37 square feet.

The property is currently zoned as a Multi-Family Residence District (R-MF). There is a commercial plaza with a residential subdivision to the North; a residence to the South. To the East, it is an empty lot and to the West, it is outside the city limits of San Juan.

Staff mailed a notice of the public hearing to twenty (20) neighboring property owners within the two-hundred (200) foot radius and received no comments in favor or against this request.

Staff recommends approval of the rezoning request.

RECOMMENDATION:

During their regular meeting on June 12, 2025, the Planning and Zoning Commission unanimously recommended approval of the rezoning request as presented with a 5-0 vote.

PREPARED BY:

Brenda Escalante,
City Secretary

APPROVED BY:

Tirso Garza, Interim City
Manager

The property is located approximately 600 feet South of Moore Road, along the East side of Veterans Boulevard. The property is 135.05' x 552.45', which is 74,608.37 square feet.

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Staff mailed a notice of the public hearing to twenty (20) neighboring property owners within the two-hundred (200) foot radius and received no comments in favor or against this request.

Staff recommends approval of the rezoning request.

ATTACHMENTS: Zoning Map
 Survey
 List of neighboring property owners receiving notice
 Ordinance



Proposed Site



P&Z – 06/12/2025 Commissioner Sanchez made a motion to approve the rezoning request as presented. Commissioner Salinas second the motion. The motion passed unanimously with a 5-0 vote.

Ms. Gomez explained the location of the property and the request to change it from multi-family to commercial. She listed the uses around the property; to the north of the property, there is a convenience store and commercial plaza facing Veteran's Boulevard. To the south a residential home. To the east is an empty lot and to the west is outside our city limits. Notice of the public hearing was on the newspaper and letters were mailed out to 20 property owners and no comments were received.

Staff recommends approval of the rezoning request as presented.

Mr. Carlos Garza, AEC Engineering, was present to ask any questions.

No discussion took place on this item.

Chairwoman Cardenas closed the public hearing at 6:03 p.m.



ORDINANCE NO.

AN ORDINANCE AMENDING THE CITY OF SAN JUAN ZONING ORDINANCE NO. 98-006, TO CHANGE THE ZONING DISTRICT FROM MULTI-FAMILY RESIDENCE DISTRICT (R-MF) TO GENERAL BUSINESS DISTRICT (C-2) OF A PROPERTY LEGALLY DESCRIBED AS 1.71-ACRE TRACT OF LAND OUT OF LOT 9, SAN JUAN HACIENDA ESTATES SUBDIVISION, LOCATED APPROXIMATELY 600 FEET SOUTH OF MOORE ROAD, ALONG THE EAST SIDE OF VETERANS BOULEVARD, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SAN JUAN, TEXAS:

Consistent with the City's land use plan as set-forth in the land use map that is a part of the City's Zoning Ordinance, and consistent with the City's intentions of allowing and encouraging commercial district development that generates property taxes, water and sewer revenues and sales tax revenues.

The zoning district of the property legally described as 1.71-acre tract of land out of Lot 9, San Juan Hacienda Estates Subdivision, shall be changed to General Business District (C-2) and the zoning map shall be amended accordingly.

PASSED and **APPROVED** on first reading on the 22nd day of July, 2025.

PASSED and **APPROVED** on second and final reading on the ____ day of _____, 2025.

CITY OF SAN JUAN

MARIO GARZA
MAYOR

ATTEST:

APPROVED BY:
Palacios, Garza & Thompson, P.C.

BRENDA ESCALANTE
CITY SECRETARY

CITY ATTORNEY

Rezoning Request from Multi-Family Residence District (R-MF) to General Business District (C-2) of 1.713-acre tract, out of Lot 9, San Juan Hacienda Estates Subdivision, as Requested by AEC Engineering, LLC.

GONZALEZ EPIGMENIO & LILIANA
PO BOX 2535
EDINBURG, TX 78540-2535

MUNOZ ERIK P & KARLA P
2208 JUSTIN AVE
SAN JUAN, TX 78589-2770

CANO ROGELIO & FELIPA
PO BOX 661
SAN JUAN, TX 78589-0661

JASSO EFRAIN OMAR
803 BEATRICE AVE
SAN JUAN, TX 78589-2769

ORTA SANDRA I & MIGUEL A
709 BEATRICE AVE
SAN JUAN, TX 78589-2768

SIFUENTES LEANDRO &
ESMERALDA
711 BEATRICE AVE
SAN JUAN, TX 78589-2768

XLH INVESTMENTS LLC
603 W HWY 83
PHARR, TX 78577-4642

CASTILLO DAVID
710 BEATRICE AVE
SAN JUAN, TX 78589

TOBAR OSCAR ARMANDO &
JENNIFER DEL CARMEN
811 BEATRICE AVE
SAN JUAN, TX 78589-2769

CANO RAMONA R & REYNALDO G
800 BEATRICE AVE
SAN JUAN, TX 78589-2769

GONZALEZ VIVIANA & HECTOR
TRUJILLO
809 BEATRICE AVE
SAN JUAN, TX 78589-2769

GARZA HERIBERTO & DIANA
802 BEATRICE AVE
SAN JUAN, TX 78589-2769

LOPEZ CARLOS & ANGELINA S
807 BEATRICE AVE
SAN JUAN, TX 78589-2769

GONZALEZ DAVID & GUILLERMINA
GARCIA
806 BEATRICE AVE
SAN JUAN, TX 78589-2769

DE LA CERDA CLAY & MYRIAM DEL
CARMEN SALAZAR RODRIGUEZ
805 BEATRICE AVE
SAN JUAN, TX 78589-2769

CORTEZ GUADALUPE S
801 BEATRICE AVE
SAN JUAN, TX 78589-2769

Rezoning Request from Multi-Family Residence District (R-MF) to General Business District (C-2) of 1.713-acre tract, out of Lot 9, San Juan Hacienda Estates Subdivision, as Requested by AEC Engineering, LLC.

ENRIQUEZ JOSE
2210 JUSTIN AVE
SAN JUAN, TX 78589-2770

TEYSHA GROUP LLC
207 W DAFFODIL AVE
MCALLEN, TX 78501

VELA JUAN & DAYANA BENAVIDES
804 BEATRICE AVE
SAN JUAN, TX 78589-2769

JORGE G. DE ZENEA
1116 S. 10TH AVE
EDINBURG, TX 78539

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Consideration and Appropriate Action on an Ordinance Authorizing the Issuance of “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025”; Providing for the Payment of said Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City; and Resolving other Matters Incident and Related to the Issuance, Payment, Security, Sale, and Delivery of said Certificates.

STAFF COMMENTS AND RECOMMENDATIONS:

Consideration and Appropriate Action on an Ordinance Authorizing the Issuance of “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025”; Providing for the Payment of said Certificates by the Levy of an Ad Valorem Tax upon all Taxable Property within the City; and Resolving other Matters Incident and Related to the Issuance, Payment, Security, Sale, and Delivery of said Certificates.

RECOMMENDATION:

Staff recommend the approval of the Ordinance Authorizing the Issuance of “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025.

PREPARED BY:

Brenda Escalante,
City Secretary

APPROVED BY:

Tirso Garza, Interim City
Manager

ORDINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF SAN JUAN, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025”; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A LIEN ON AND PLEDGE OF THE PLEDGED REVENUES OF THE SYSTEM; PROVIDING THE TERMS AND CONDITIONS OF SAID CERTIFICATES AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT; COMPLYING WITH THE REQUIREMENTS OF THE LETTER OF REPRESENTATIONS PREVIOUSLY EXECUTED WITH THE DEPOSITORY TRUST COMPANY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Commission of the City of San Juan, Texas (the *City*) has caused notice to be given of its intention to issue certificates of obligation in the maximum principal amount of \$8,000,000 as provided pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation), curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City’s public safety facilities (including a police station and fire station), (3) acquiring vehicles, heavy machinery, and equipment for sanitation and public safety (including police vehicles, garbage trucks, and fire trucks); (4) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (5) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects. This notice has been posted on the City’s website, if available, and duly published in a newspaper hereby found and determined to be of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first publication of such notice being not less than forty-six (46) days prior to the tentative date stated therein for the passage of the ordinance authorizing the issuance of such certificates of obligation; and

WHEREAS, in accordance with the provisions of Section 271.049, as amended, Texas Government Code, the City confirms that notice of the City’s intention to issue certificates of obligation was approved by resolution at a public meeting and stated (1) the then current principal of all outstanding debt of the City; (2) the then current combined principal and interest required to pay all outstanding debt obligations of the City on time and in full, based on the City’s expectations relative to the interest due on any variable rate debt obligations, as applicable; (3) the maximum principal amount of the certificates of obligation to be authorized; (4) the estimated combined

principal and interest required to pay the certificates of obligation in full; (5) the estimated interest rate for the certificates of obligation or that the maximum interest rate for the certificates of obligation may not exceed the maximum legal interest rate; and (6) the maximum maturity date of the certificates of obligation; and

WHEREAS, no petition protesting the issuance of the certificates of obligation described in this notice, signed by at least 5% of the qualified electors of the City, has been presented to or filed with the City Secretary or Acting City Secretary prior to the date tentatively set in such notice for the passage of this ordinance; and

WHEREAS, the City Commission hereby finds and determines that the issuance of the certificates of obligation, under the terms herein specified, is in the best interests of the City and its residents; and

WHEREAS, the City Commission hereby finds and determines that certificates of obligation in the principal amount of \$ _____ described in such notice should be issued and sold at this time; now, therefore,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SAN JUAN, TEXAS THAT:

SECTION 1. Authorization - Designation - Principal Amount - Purpose. The certificates of obligation of the City shall be and are hereby authorized to be issued in the aggregate principal amount of _____ MILLION _____ THOUSAND AND NO/100 DOLLARS (\$ _____), to be designated and bear the title of "CITY OF SAN JUAN, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025" (the *Certificates*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation), curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's public safety facilities (including a police station and fire station), (3) acquiring vehicles, heavy machinery, and equipment for sanitation and public safety (including police vehicles, garbage trucks, and fire trucks); (4) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (5) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects, pursuant to the authority conferred by and in conformity with the laws of the State of Texas, particularly the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through Section 271.064, and Chapter 1502, as amended, Texas Government Code.

SECTION 2. Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Rates - Certificate Date. The Certificates are issuable in fully registered form only; shall be dated August 15, 2025 (the *Certificate Date*) and shall be issued in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and the Certificates shall become due and payable on February 15 in each of the years and in principal amounts (the *Stated Maturities*) and bear interest on the unpaid principal amounts from the Closing Date, or from the

most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates, while Outstanding, in accordance with the following schedule:

Dates of Stated Maturity	Principal Amounts (\$)	Interest Rates (%)
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		

The Certificates shall bear interest on the unpaid principal amounts from the Closing Date (anticipated to occur on or about August 20, 2025), or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity or prior redemption, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Certificates shall be payable on February 15 and August 15 in each year commencing February 15, 2026 (each, an *Interest Payment Date*), while the Certificates are Outstanding.

SECTION 3. Payment of Certificates - Paying Agent/Registrar. The principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal of, premium, if any, and interest on the Certificates shall be without exchange or collection charges to the Holder (hereinafter defined) of the Certificates.

The selection and appointment of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the *Paying Agent/Registrar*), to serve as the initial Paying Agent/Registrar for the Certificates is hereby approved and confirmed, and the City agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment and transfer of the Certificates, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement,

attached, in substantially final form, as Exhibit A hereto, and such reasonable rules and regulations as the Paying Agent/Registrar and City may prescribe. The City covenants to maintain and provide a Paying Agent/Registrar at all times while the Certificates are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and authorized by law to serve as a Paying Agent/Registrar.

The City reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the City agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Certificates by United States mail, first-class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of, premium, if any, and interest on the Certificates, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Certificates appearing on the Security Register (the *Holder* or *Holder*s) maintained on behalf of the City by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of payment of interest thereon, (ii) on the date of surrender of the Certificates for purposes of receiving payment of principal thereof upon redemption of the Certificates or at the Certificates' Stated Maturity, and (iii) on any other date for any other purpose. The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Certificate for purposes of receiving payment and all other purposes whatsoever, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Certificates shall be payable only upon presentation and surrender of the Certificates to the Paying Agent/Registrar at its corporate trust office. Interest on the Certificates shall be paid to the Holder whose name appears in the Security Register at the close of business on the last business day of the month next preceding an Interest Payment Date for the Certificates (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Certificates shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Certificates was due.

In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment

date of the past due interest (the *Special Payment Date* - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4. Redemption.

A. Optional Redemption. The Certificates having Stated Maturities on and after February 15, 2036 shall be subject to redemption prior to Stated Maturity, at the option of the City, on February 15, 2035, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption.

B. Exercise of Redemption Option. At least forty-five (45) days prior to a date set for the redemption of Certificates (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem Certificates, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the City to exercise the right to redeem Certificates shall be entered in the minutes of the governing body of the City.

C. Selection of Certificates for Redemption. If less than all Outstanding Certificates of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select at random and by lot the Certificates to be redeemed, provided that if less than the entire principal amount of a Certificate is to be redeemed, the Paying Agent/Registrar shall treat such Certificate then subject to redemption as representing the number of Certificates Outstanding which is obtained by dividing the principal amount of such Certificate by \$5,000.

D. Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Certificates, the Paying Agent/Registrar shall cause a notice of redemption to be sent by United States mail, first-class postage prepaid, in the name of the City and at the City's expense, by the Paying Agent/Registrar to each Holder of a Certificate to be redeemed, in whole or in part, at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

All notices of redemption shall (i) specify the date of redemption for the Certificates, (ii) identify the Certificates to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Certificates, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Certificates, or the

principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder.

If a Certificate is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as herein provided, such Certificate (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Certificates (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Certificates (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue and such Certificates shall not be deemed to be Outstanding in accordance with the provisions of this Ordinance.

E. Transfer/Exchange of Certificates. Neither the City nor the Paying Agent/Registrar shall be required (1) to transfer or exchange any Certificate during a period beginning forty-five (45) days prior to the date fixed for redemption of the Certificates or (2) to transfer or exchange any Certificate selected for redemption, provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of a Certificate which is subject to redemption in part.

SECTION 5. Execution – Registration. The Certificates shall be executed on behalf of the City by its Mayor or Mayor Pro Tem under the seal of the City reproduced or impressed thereon and attested by its City Secretary or Acting City Secretary. The signature of either of said officers on the Certificates may be manual or facsimile. Certificates bearing the manual or facsimile signatures of individuals who were, at the time of the Certificate Date, the proper officers of the City shall bind the City, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Certificates to the Purchasers (hereinafter defined), all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Certificate shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Certificate either a certificate of registration substantially in the form provided in Section 8C, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8D, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly certified or registered and delivered.

SECTION 6. Registration – Transfer – Exchange of Certificates – Predecessor Certificates. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of every owner of the Certificates, or if appropriate, the nominee thereof. Any Certificate may, in accordance with its terms and the terms hereof, be transferred or exchanged for Certificates of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Certificate to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Certificate at the corporate trust office of the Paying Agent/Registrar, the City shall execute and the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Certificates of authorized denomination and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Certificate or Certificates surrendered for transfer.

At the option of the Holder, Certificates may be exchanged for other Certificates of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Certificates surrendered for exchange upon surrender of the Certificates to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Certificates are so surrendered for exchange, the City shall execute, and the Paying Agent/Registrar shall register and deliver, the Certificates to the Holder requesting the exchange.

All Certificates issued upon any transfer or exchange of Certificates shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by registered mail to the Holder at his request, risk, and expense, and upon the delivery thereof, the same shall be the valid and binding obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Certificates surrendered upon such transfer or exchange.

All transfers or exchanges of Certificates pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Certificates cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be Predecessor Certificates, evidencing all or a portion, as the case may be, of the same debt evidenced by the new Certificate or Certificates registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Certificates shall include any Certificate registered and delivered pursuant to Section 25 in lieu of a mutilated, lost, destroyed, or stolen Certificate which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Certificate.

SECTION 7. Initial Certificate. The Certificates herein authorized shall be issued initially either (i) as a single fully registered Certificate in the total principal amount of \$ _____ with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Certificate for each year of Stated Maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (the *Initial Certificate*) and, in either case, the Initial Certificate shall be registered in the name of the Purchasers or the designee thereof. The Initial Certificate shall be the Certificate submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchasers. Any time after the delivery of the Initial Certificate to the Purchasers, the Paying Agent/Registrar, pursuant to written instructions from the Purchasers or their designee, shall cancel the Initial Certificate delivered hereunder and exchange therefor definitive Certificates of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates on the unpaid principal amounts from the Closing Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity, and shall

be lettered “R” and numbered consecutively from one (1) upward for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8. Forms.

A. Forms Generally. The Certificates, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Certificates shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Certificates, or any Stated Maturities thereof, are insured, and any reproduction of an opinion of Bond Counsel (hereinafter referenced)) thereon as may, consistent herewith, be established by the City or determined by the officers executing the Certificates as evidenced by their execution thereof. Any portion of the text of any Certificate may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Certificate.

The definitive Certificates shall be printed, lithographed, or engraved, produced by any combination of these methods, or produced in any other similar manner, all as determined by the officers executing the Certificates as evidenced by their execution thereof, but the Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise reproduced.

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B. Form of Definitive Certificate.

REGISTERED
NO. _____

REGISTERED
PRINCIPAL AMOUNT
\$ _____

United States of America
State of Texas
County of Hidalgo
CITY OF SAN JUAN, TEXAS
COMBINATION TAX AND LIMITED PLEDGE REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2025

Certificate Date:
August 15, 2025

Interest Rate:

Stated Maturity:

CUSIP No.

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

The City of San Juan, Texas (the *City*), a body corporate and municipal corporation in the County of Hidalgo, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the Closing Date (anticipated to occur on or about August 20, 2025), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for until such Principal Amount has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, while Outstanding, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year commencing February 15, 2026 (each, an *Interest Payment Date*), while the Certificates are Outstanding.

Principal and premium, if any, of this Certificate shall be payable to the Registered Owner hereof (the *Holder*), upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Certificate (or one or more Predecessor Certificates, as defined in the Ordinance hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Certificate is one of the series specified in its title issued in the aggregate principal amount of \$ _____ (the *Certificates*) pursuant to an Ordinance adopted by the governing body of the City (the *Ordinance*), for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) constructing street improvements (including utilities repair, replacement, and relocation), curbs, gutters, and sidewalk improvements, including drainage and traffic safety signalization and signage incidental thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the City's public safety facilities (including a police station and fire station), (3) acquiring vehicles, heavy machinery, and equipment for sanitation and public safety (including police vehicles, garbage trucks, and fire trucks); (4) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (5) payment for professional services relating to the design, construction, project management, and financing of the aforementioned projects, under and in strict conformity with the laws of the State of Texas, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, and the City's Home Rule Charter.

As provided in the Ordinance, the Certificates having Stated Maturities on and after February 15, 2036 shall be subject to redemption prior to Stated Maturity, at the option of the City, on February 15, 2035, or on any date thereafter, as a whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar), at the redemption price of par plus accrued interest to the date of redemption provided, however, that at least thirty (30) days prior written notice shall be sent to the Holders of the Certificates to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Certificate is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Certificate to the Paying Agent/Registrar at its corporate trust office, a new Certificate or Certificates of like Stated Maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof.

If this Certificate (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Certificate (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if the money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Certificate is called for redemption, in whole or in part, the City or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Certificate within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Certificates of this series are payable from the proceeds of an ad valorem tax levied upon all taxable property within the City, within the limitations prescribed by law, and are further payable from and secured by a lien on and pledge of the Pledged Revenues (identified

and defined in the Ordinance), being a limited amount of the Net Revenues derived from the operation of the City's combined utility system (the *System*), such lien on and pledge of the limited amount of Net Revenues being subordinate and inferior to the lien on and pledge of such Net Revenues securing payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City. The City has previously authorized the issuance of the currently outstanding Limited Pledge Obligations (identified and defined in the Ordinance) that are payable, in part, from and secured by a lien on and pledge of a limited amount of the Net Revenues of the System in the manner and as described in the ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations. In the Ordinance, the City reserves and retains the right to issue Additional Prior Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, and Additional Limited Pledge Obligations (all as identified and defined in the Ordinance), while the Certificates are Outstanding, without limitation as to principal amount but subject to any terms, conditions or restrictions as may be applicable thereto under law or otherwise.

Reference is hereby made to the Ordinance, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and the revenues pledged for the payment of the Certificates; the terms and conditions under which the City may issue Additional Prior Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, and Additional Limited Pledge Obligations; the terms and conditions relating to the transfer or exchange of the Certificates; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holder; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Certificate may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Ordinance. Capitalized terms used herein without definition have the same meanings assigned in the Ordinance.

This Certificate, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Certificates of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Certificate as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the City nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and

of the scheduled payment date of the past due interest (the *Special Payment Date* - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Certificate in order to render the same a legal, valid, and binding obligation of the City have been performed, exist, and have been done, in regular and due time, form, and manner, as required by the laws of the State of Texas and the Ordinance, and that issuance of the Certificates does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium if any, and interest on the Certificates by the levy of a tax and collection of Pledged Revenues as aforestated. In case any provision in this Certificate or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Certificate and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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IN WITNESS WHEREOF, the City has caused this Certificate to be duly executed under its official seal.

CITY OF SAN JUAN, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

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C. *Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Certificate Only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF
PUBLIC ACCOUNTS

§
§
§
§

REGISTER NO.

I HEREBY CERTIFY that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____

Acting Comptroller of Public Accounts of
the State of Texas

(SEAL)

*NOTE TO PRINTER: Do not print on Definitive Certificates.

D. *Form of Certificate of Paying Agent/Registrar to Appear on Definitive Certificates Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Certificate has been duly issued under the provisions of the within-mentioned Ordinance; the Certificate or Certificates of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Dallas, Texas,
as Paying Agent/Registrar

By: _____
Authorized Signature

*NOTE TO PRINTER: Print on Definitive Certificates.

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____ (Social Security or other identifying number): _____ the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular.

Signature guaranteed:

F. Form of Initial Certificate. The Initial Certificate shall be in the form set forth in paragraph B of this Section, except that the form of a single fully registered Initial Certificate shall be modified as follows:

- (i) immediately under the name of the Certificate the headings "Interest Rate" and "Stated Maturity" shall both be completed "as shown below";
- (ii) the first two paragraphs shall read as follows:

The City of San Juan, Texas (the *City*), a body corporate and municipal corporation in the County of Hidalgo, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, the Principal Amount specified above stated to mature on the fifteenth day of February in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>Years of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Amounts (\$)</u>	<u>Interest</u> <u>Rates (%)</u>
---	---	-------------------------------------

(Information to be inserted
from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amounts hereof from the Closing Date (anticipated to occur on or about August 20, 2025), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for until the Principal Amount has become due and payment thereof has been made or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rates of interest specified above, computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year commencing February 15, 2026 (each, an *Interest Payment Date*), while the Certificates are Outstanding.

Principal of this Certificate shall be payable to the Registered Owner hereof (the *Holder*), upon its presentation and surrender, to Stated Maturity or prior redemption, while Outstanding, at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Certificate whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the last business day of the month next preceding each Interest Payment Date. All payments of principal of and interest on this Certificate shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

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G. Insurance Legend. If bond insurance is obtained by the City or the Purchasers for the Certificates, the Definitive Certificates and the Initial Certificate shall bear an appropriate legend as provided by the bond insurer to appear under the following header:

[BOND INSURANCE] or [STATEMENT OF INSURANCE]

SECTION 9. Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, and certain terms used in Sections 27 and 44 of this Ordinance have the meanings assigned to them in Sections 27 and 44 of this Ordinance, and all such terms, include the plural as well as the singular; (ii) all references in this Ordinance to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iii) the words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

A. The term *Additional Limited Pledge Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or other evidences of indebtedness hereafter issued by the City payable, in part, from a limited pledge of and lien on Net Revenues of the System, being a lien on and pledge of Net Revenues that is subordinate and inferior to the lien thereon and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City, which pledge of revenues is limited pursuant to Section 1502.052, as amended, Texas Government Code all as further provided in Section 20 of this Ordinance, and (ii) any obligations issued to refund the foregoing as determined by the City Commission in accordance with any applicable law.

B. The term *Additional Prior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable in whole or in part from and equally and ratably secured by a prior and first lien on and pledge of the Net Revenues of the System, all as further provided in Section 20 of this Ordinance, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a prior and first lien on and pledge of the Net Revenues as determined by the City Commission in accordance with any applicable law.

C. The term *Authorized Officials* shall mean the Mayor, the Mayor Pro Tem, the City Manager, the Finance Director, and/or the City Secretary or Acting City Secretary.

D. The term *Certificates* shall mean the \$_____ “CITY OF SAN JUAN, TEXAS COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025” authorized by this Ordinance.

E. The term *Certificate Fund* shall mean the special Fund created and established by the provisions of Section 10 of this Ordinance.

F. The term *City* shall mean the City of San Juan, located in Hidalgo County, Texas and, where appropriate, the City Commission of the City.

G. The term *Closing Date* shall mean the date of physical delivery of the Initial Certificate in exchange for the payment of the agreed purchase price for the Certificates.

H. The term *Collection Date* shall mean, when reference is being made to the levy and collection of annual ad valorem taxes, the date the annual ad valorem taxes levied each year by the City become delinquent.

I. The term *Debt Service Requirements* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

J. The term *Depository* shall mean an official depository bank of the City.

K. The term *Fiscal Year* shall mean the annual financial accounting period for the System now ending on September 30th of each year; provided, however, the City Commission may change such annual financial accounting period to end on another date if such change is found and determined to be necessary for accounting purposes or is required by applicable law.

L. The term *Government Securities*, as used herein, shall mean (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Certificates.

M. The term *Gross Revenues* for any period shall mean all revenue during such period in respect or on account of the operation or ownership of the System, excluding refundable meter deposits, restricted gifts, and grants in aid of construction, but including earnings and income derived from the investment or deposit of money in any special fund or account (except the Certificate Fund) created and established for the payment or security of the Certificates.

N. The term *Holder* or *Holder*s shall mean the registered owner, whose name appears in the Security Register, for any Certificate.

O. The term *Insurance Policy* shall mean the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Certificates when due.

P. The term *Insurer* shall mean Assured Guaranty Municipal Corp., New York, New York, or any successor thereto or assignee thereof.

Q. The term *Interest Payment Date* shall mean the date interest is payable on the Certificates, being February 15 and August 15 in each year commencing February 15, 2025, while the Certificates are Outstanding.

R. The term *Junior Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation or any similar obligations hereafter issued by the City that are payable in whole or in part from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues of the System, such pledge being junior and inferior to the lien on and pledge of the Net Revenues of the System that are pledged to the currently outstanding Prior Lien Obligations and may be pledged to the payment of any Additional Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues of the System that are or will be pledged to the payment of the currently outstanding Limited Pledge Obligations, the Certificates, and any Subordinate Lien Obligations or Additional Limited Pledge Obligations hereafter issued by the City all as further provided in Section 20 of this Ordinance, and (ii) obligations hereafter issued to refund any of the foregoing that are payable from and equally and ratably secured by a junior and inferior lien on and pledge of the Net Revenues as determined by the City Commission in accordance with any applicable law.

S. The term *Limited Pledge Obligations* shall mean (i) the Certificates and the outstanding and unpaid obligations of the City that are payable, in part, from and secured by a subordinate and inferior lien on and pledge of a limited amount of the Net Revenues of the System and designated as follows:

(1) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2014”, dated February 15, 2014, in the original principal amount of \$2,240,000;

(2) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2015”, dated October 15, 2015, in the original principal amount of \$4,205,000;

(3) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2017”, dated April 1, 2017, in the original principal amount of \$4,680,000;

(4) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2018”, dated December 1, 2018, in the original principal amount of \$3,020,000;

(5) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020”, dated August 15, 2020, in the original principal amount of \$4,835,000;

(6) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2021”, dated September 1, 2021, in the original principal amount of \$8,205,000;

(7) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2023”, dated August 15, 2023, in the original principal amount of \$8,935,000;

(8) “City of San Juan, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024”, dated September 1, 2024, in the original principal amount of \$13,395,000;

and (ii) obligations hereafter issued to refund any of the foregoing as determined by the City Commission in accordance with any applicable law.

T. The term *Maintenance and Operating Expenses* shall mean all current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Commission, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining “Net Revenues”. Depreciation charges shall not be considered Maintenance and Operating Expenses. Maintenance and Operating Expenses shall include payments under contracts for the purchase of water supply, treatment of sewage or other materials, goods or services for the System to the extent authorized by law and the provisions of such contract.

U. The term *Net Revenues* for any period shall mean the Gross Revenues of the System less the Maintenance and Operating Expenses of the System.

V. The term *Ordinance* shall mean this ordinance as finally passed and adopted by the City Commission of the City.

W. The term *Outstanding* when used in this Ordinance with respect to Certificates shall mean, as of the date of determination, all Certificates issued and delivered under this Ordinance, except:

(1) those Certificates cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Certificates for which payment has been duly provided by the City in accordance with the provisions of Section 29 of this Ordinance; and

(3) those Certificates that have been mutilated, destroyed, lost, or stolen and replacement Certificates have been registered and delivered in lieu thereof as provided in Section 25 of this Ordinance.

X. The term *Pledged Revenues* shall mean, while the Certificates remain Outstanding, an amount of Net Revenues not in excess of \$1,000. The Pledged Revenues shall be deposited, allocated, and expended in accordance with Section 10 of this Ordinance.

Y. The term *Pledged Revenue Amount* shall mean the total amount, not to exceed \$1,000 while the Certificates are Outstanding, of Net Revenues that may be transferred in whole

or in part by the City in any given Fiscal Year (however, any amounts transferred prior to the final maturity date of the Certificates may not exceed the total amount of \$1,000) to the Certificate Fund.

Z. The term *Prior Lien Obligations* shall mean (i) the outstanding and unpaid obligations of the City that are payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System and designated as follows:

(1) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2013-A”, dated June 15, 2013, in the original principal amount of \$6,170,000;

(2) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2013-B”, dated October 29, 2013, in the original principal amount of \$1,400,000;

(3) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2017”, dated July 1, 2017, in the original principal amount of \$2,285,000;

(4) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2018”, dated June 1, 2018, in the original principal amount of \$1,270,000;

(5) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2019”, dated May 1, 2019 in the original principal amount of \$6,645,000;

(6) “City of San Juan, Texas Waterworks and Sewer System Revenue Bonds, Series 2019A”, dated May 1, 2019, in the original principal amount of \$1,715,000;

and (ii) any obligations hereafter issued to refund the foregoing if issued in a manner so as to be payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System as determined by the City Commission in accordance with any applicable law.

AA. The term *Purchasers* shall mean the initial purchaser or purchasers of the Certificates named in Section 26 of this Ordinance.

BB. The term *Record Date*, as used in connection with any Obligation, shall mean: (a) with respect to an Interest Payment Date that occurs on the fifteenth day of any month, the close of business on the last business day of the month next preceding such Interest Payment Date, and (b) with respect to an Interest Payment Date that occurs on the first day of any month, the close of business on the fifteenth day of the month next preceding such Interest Payment Date.

CC. The term *Stated Maturity* shall mean the annual principal payments of the Certificates payable on February 15 of each year the Certificates are Outstanding as set forth in Section 2 of this Ordinance.

DD. The term *Subordinate Lien Obligations* shall mean (i) any bonds, notes, warrants, certificates of obligation, or any similar obligations hereafter issued by the City that are payable, in whole or in part, from and equally and ratably secured by a lien on and pledge of the Net Revenues of the System, such pledge being subordinate and inferior to the lien on and pledge of the Net Revenues of the System that are or may be pledged to the payment of the currently

outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the limited amount of the Net Revenues securing, in part, the payment of the currently outstanding Limited Pledge Obligations, the Certificates, or any Additional Limited Pledge Obligations hereafter issued by the City, all as further provided in Section 20 of this Ordinance and (ii) any obligations hereafter issued to refund any of the foregoing if issued in a manner so as to be payable from and equally and ratably secured by a subordinate and inferior lien on and pledge of the Net Revenues of the System as determined by the City Commission in accordance with any applicable law.

EE. The term *System* shall mean all properties, facilities and plants currently owned, operated and maintained by the City for the supply, treatment and transmission of treated potable water, the collection, treatment and disposal of water-carried wastes, the generation, transmission and distribution of electricity, together with all future extensions, improvements, replacements and additions thereto; provided, however, that notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term “System” shall not mean to include facilities of any kind which are declared not to be a part of the System and which are acquired or constructed by or on behalf of the City with the proceeds from the issuance of “Special Facilities Bonds”, which are hereby defined as being special revenue obligations of the City which are not Prior Lien Obligations but which are payable from and secured by other liens on and pledges of any revenues, sources or payments, not pledged to the payment of the currently outstanding Prior Lien Obligations including, but not limited to, special contract revenues or payments received from any other legal entity in connection with such facilities.

SECTION 10. Certificate Fund - Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Certificates, there shall be and is hereby created a special fund to be designated “COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025, INTEREST AND SINKING FUND” (the *Certificate Fund*), which fund shall be kept and maintained at the Depository, and money deposited in the Certificate Fund shall be used for no other purpose and shall be maintained as provided in Section 27. Authorized Officials of the City are hereby authorized and directed to make withdrawals from the Certificate Fund sufficient to pay the purchase price or the amount of principal of, premium, if any, and interest on the Certificates as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Certificate Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Certificates, such transfer of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the business day next preceding each interest and principal payment date for the Certificates.

The City, at its sole discretion, may deposit the Pledged Revenue Amount to the Certificate Fund. The Pledged Revenue Amount, if deposited, shall be expended annually to pay principal of and interest on the Certificates as the same become due and payable. This Pledged Revenue Amount shall be accounted for and transferred to the Paying Agent/Registrar in accordance with the provisions of the previous paragraph of this Section.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any fund created and established by this Ordinance may, at the option of the City, be placed in time deposits,

certificates of deposit, guaranteed investment contracts, or similar contractual agreements, as permitted by the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities, including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, or Federal Housing Association; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from such fund will be available at the proper time or times. All interest and income derived from deposits and investments in any fund established pursuant to the provisions of this Ordinance shall be credited to, and any losses debited to, such fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Certificates.

SECTION 11. Tax Levy. To provide for the payment of the Debt Service Requirements on the Certificates being (i) the interest on the Certificates and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of 2% (whichever amount shall be the greater), there shall be and there is hereby levied for the current year and each succeeding year thereafter while the Certificates or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each one hundred dollars valuation of taxable property in the City, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Certificate Fund and are thereafter pledged to the payment of the Certificates. The City Commission hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay such Debt Service Requirements, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness and other obligations of the City.

The amount of taxes to be provided annually for the payment of the principal of and interest on the Certificates shall be determined and accomplished in the following manner:

A. Prior to the date the City Commission establishes the annual tax rate and passes an ordinance levying ad valorem taxes each year, the City Commission shall determine:

(1) the amount of Debt Service Requirements to become due and payable on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding calendar year;

(2) the amount on deposit in the Certificate Fund after (a) deducting therefrom the total amount of Debt Service Requirements to become due on Certificates prior to the Collection Date for the ad valorem taxes to be levied and (b) adding thereto the amount of

the Pledged Revenues, if any, to be appropriated and allocated during such year to pay such Debt Service Requirements, if any, prior to the Collection Date for the ad valorem taxes to be levied; and

(3) the amount of Pledged Revenues, if any, appropriated and set aside for the payment of the Debt Service Requirements on the Certificates between the Collection Date for the taxes then to be levied and the Collection Date for the taxes to be levied during the next succeeding Fiscal Year.

B. The amount of taxes to be levied annually each year to pay the Debt Service Requirements on the Certificates shall be the amount established in paragraph (1) above less the sum total of the amounts established in paragraphs (2) and (3), after taking into consideration delinquencies and costs of collecting such annual taxes.

SECTION 12. Pledge of Revenues. The City hereby covenants and agrees that, subject to (i) any prior lien on and pledge of the Net Revenues of the System to the payment and security of the currently outstanding Prior Lien Obligations or any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City and (ii) the lien on and pledge of a limited amount of the Net Revenues to the payment and security of the currently outstanding Limited Pledge Obligations, the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City, the Pledged Revenues are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates and the pledge of Pledged Revenues herein made for the payment of the Certificates shall constitute a lien on the Pledged Revenues in accordance with the terms and provisions hereof and be valid and binding without any physical delivery thereof or further act by the City.

SECTION 13. System Fund. The City hereby covenants and agrees that all Gross Revenues derived from the operation of the System shall be kept separate and apart from all other funds, accounts and money of the City and shall be deposited as collected into the "CITY OF SAN JUAN, TEXAS UTILITY SYSTEM FUND" (the *System Fund*). All money deposited in the System Fund shall be pledged and appropriated to the extent required for the following purposes and in the order of priority shown:

- First: to the payment of the reasonable and proper Maintenance and Operating Expenses of the System required by statute or ordinances authorizing the issuance of any indebtedness of the City to be a first charge on and claim against the Gross Revenues of the System;
- Second: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;
- Third: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Junior Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance;

- Fourth: To the payment of the amounts that must be deposited in the special funds and accounts created and established for the payment, security, and benefit of any Subordinate Lien Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinance authorizing their issuance; and
- Fifth: To the payment of the amounts that may be deposited in the special funds and accounts established for the payment of the currently outstanding Limited Pledge Obligations, including the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City in accordance with the terms and provisions of any ordinances authorizing their issuance.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment, security and benefit thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 14. Deposits to Certificate Fund – Surplus Certificate Proceeds. The City hereby covenants and agrees to cause to be deposited in the Certificate Fund prior to a principal and interest payment date for the Certificates, from the Pledged Revenues in the System Fund, after the deduction of all payments required to be made to the special funds or accounts created for the payment, security, and benefit of (i) the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City and (ii) the currently outstanding Limited Pledge Obligations, including the Certificates or any Additional Limited Pledge Obligations hereafter issued by the City, and any amounts budgeted to be paid therefrom in such Fiscal Year.

Accrued interest, if any, received from the Purchasers of the Certificates shall be deposited to the Certificate Fund and ad valorem taxes levied and collected for the benefit of the Certificates shall be deposited to the Certificate Fund. In addition, any surplus proceeds, including investment income therefrom, from the sale of the Certificates not expended for authorized purposes shall be deposited in the Certificate Fund, and such amounts so deposited shall reduce the sums otherwise required to be deposited in said fund from ad valorem taxes.

SECTION 15. Security of Funds. All money on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

SECTION 16. Maintenance of System - Insurance. The City covenants and agrees that while the Certificates remain Outstanding it will maintain and operate the System with all possible efficiency and maintain casualty and other insurance (including a system of self-insurance) on the properties of the System and its operations of a kind and in such amounts customarily carried by municipal corporations in the State of Texas engaged in a similar type of business and that it will faithfully and punctually perform all duties with reference to the System required by the laws of the State of Texas. All money received from losses under such insurance policies, other than public liability policies, are held for the benefit of the holders of the Certificates until and unless the proceeds are paid out in making good the loss or damage in respect of which such proceeds are received, either by replacing the property destroyed or repairing the property damaged, and

adequate provision for making good such loss or damage must be made within ninety (90) days after the date of loss. The payment of premiums for all insurance policies required under the provisions hereof shall be considered Maintenance and Operating Expenses. Nothing in this Ordinance shall be construed as requiring the City to expend any funds which are derived from sources other than the operation of the System but nothing herein shall be construed as preventing the City from doing so.

SECTION 17. Rates and Charges. The City hereby covenants and agrees with the Holders of the Certificates that rates and charges for utility services afforded by the System will be established and maintained to provide Gross Revenues sufficient at all times:

A. to pay, together with any other lawfully available funds, all operating, maintenance, depreciation, replacement, betterment, and other costs incurred in the maintenance and operation of the System, including, but not limited to, Maintenance and Operating Expenses; provided, however, that the City expressly reserves the right to utilize other lawfully available funds to pay the Maintenance and Operating Expenses;

B. to produce Net Revenues sufficient, together with any other lawfully available funds, to pay (i) the interest on and principal of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; (ii) the interest on and principal of any Junior Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof; (iii) the interest on and principal of any Subordinate Lien Obligations hereafter issued by the City as the same becomes due and payable and the amounts required to be deposited in any special fund created and established for the payment, security, and benefit thereof, and (iv) the amounts that may be deposited in the special funds established for the payment of the currently outstanding Limited Pledge Obligations, the Certificates or any Additional Limited Pledge Obligations hereafter issued by the City; and

C. to pay other legally incurred indebtedness payable from the Net Revenues of the System and/or secured by a lien on the System or the Net Revenues thereof.

SECTION 18. Records and Accounts - Annual Audit. The City further covenants and agrees that so long as any of the Certificates remain Outstanding it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by Chapter 1502, as amended, Texas Government Code, or other applicable law. The Holders of the Certificates or any duly authorized agent or agents of the Holders shall have the right to inspect the System and all properties comprising the same. The City further agrees that, following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants. Expenses incurred in making the annual audit of the operations of the System are to be regarded as Maintenance and Operating Expenses.

SECTION 19. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in the payments to be made to the Certificate Fund, or (b) defaults in

the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Certificates shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive.

SECTION 20. Issuance of Additional Prior Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, and Additional Limited Pledge Obligations. The City hereby expressly reserves the right to hereafter issue bonds, notes, warrants, certificates of obligation, or similar obligations, payable, wholly or in part, as appropriate, from and secured by a pledge of and lien on the Net Revenues of the System with the following priorities, without limitation as to principal amount, but subject to any terms, conditions, or restrictions applicable thereto under existing ordinances, laws, or otherwise:

A. Additional Prior Lien Obligations payable from and equally and ratably secured by a first and prior lien on and pledge of the Net Revenues of the System;

B. Junior Lien Obligations payable from and equally and ratably secured by a lien on and pledge of the Net Revenues that is junior and inferior to the lien on and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing, in part, the payment of the currently outstanding Limited Pledge Obligations and the Certificates and any Subordinate Lien Obligations or Additional Limited Pledge Obligations hereafter issued by the City;

C. Subordinate Lien Obligations payable from and equally and ratably secured by a lien on and pledge of the Net Revenues that is subordinate and inferior to the lien on and pledge thereof securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations or Junior Lien Obligations hereafter issued by the City, but prior and superior to the lien on and pledge of the Net Revenues securing, in part, the payment of the currently outstanding Limited Pledge Obligations, the Certificates, and any Additional Limited Pledge Obligations hereafter issued by the City; and

D. Additional Limited Pledge Obligations secured by a lien on and pledge of a limited amount of the Net Revenues in accordance with the provisions of the following paragraph.

Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations, if issued, may be payable, in whole or in part, from Net Revenues (without impairment of the obligation of contract with the holders of the currently outstanding Limited Pledge Obligations and the Certificates) upon such terms and conditions as the City Commission may determine. Additional Limited Pledge Obligations, if issued and payable, in whole or in part, from Pledged Revenues (defined in the same or similar terms as provided in Section 9 of this

Ordinance or in the ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations), shall not in any event be construed to be payable from the Pledged Revenues authorized by this Ordinance or in the respective ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations to be budgeted and appropriated for the payment of the Certificates or the respective ordinances authorizing the issuance of the currently outstanding Limited Pledge Obligations. However, the lien on and pledge of the limited amount of Net Revenues securing, in part, the payment of the Certificates, the Limited Pledge Obligations, and any Additional Limited Pledge Obligations shall be subordinate and inferior to the pledge of and lien on the Net Revenues securing the payment of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City.

SECTION 21. Special Covenants. The City hereby further covenants that:

A. it has the lawful power to pledge the Pledged Revenues supporting the Certificates and has lawfully exercised said powers under the laws of the State of Texas, including power existing under Chapter 1502, as amended, Texas Government Code, the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through Section 271.064, and the City's Home Rule Charter;

B. other than for the payment of the currently outstanding Prior Lien Obligations, the currently outstanding Limited Pledge Obligations and the Certificates, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System;

C. as long as any Certificates or any interest thereon remain Outstanding, the City will not sell, lease or encumber (except in the manner provided in Section 20 of this Ordinance) the System or any substantial part thereof, provided that this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System;

D. to the extent that it legally may, the City further covenants and agrees that, so long as any of the Certificates, or any interest thereon, are Outstanding, no franchise shall be granted for the installation or operation of any competing utility systems other than those owned by the City, and the operation of any such systems by anyone other than the City is hereby prohibited; and

E. no free service of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

SECTION 22. Application of the Covenants and Agreements of any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations. It is the intention of the City Commission and accordingly hereby recognized and stipulated that the provisions, agreements, and covenants contained herein bearing upon the management and operations of the System, and the administration and application of Gross Revenues derived from the operation thereof, shall to the extent possible be harmonized with like provisions, agreements, and covenants

contained in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City; and to the extent of any irreconcilable conflict between the provisions contained herein and in the ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City, the provisions, agreements, and covenants contained therein shall prevail to the extent of such conflict and be applicable to this Ordinance, especially the priority of rights and benefits conferred thereby to the holders of the currently outstanding Prior Lien Obligations and any Additional Prior Lien Obligations, Junior Lien Obligations, or Subordinate Lien Obligations hereafter issued by the City. It is expressly recognized that prior to the issuance of any Additional Prior Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, or Additional Limited Pledge Obligations, the City must comply with each of the conditions precedent contained in the respective ordinances authorizing the issuance of the currently outstanding Prior Lien Obligations, Limited Pledge Obligations, and the Certificates, as appropriate.

SECTION 23. Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Holder as it appears in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 24. Cancellation. All Certificates surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Certificates previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Certificates so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Certificates held by the Paying Agent/Registrar shall be destroyed as directed by the City.

SECTION 25. Mutilated, Destroyed, Lost, and Stolen Certificates. If (1) any mutilated Certificate is surrendered to the Paying Agent/Registrar, or the City and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Certificate, and (2) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required to save each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Certificate has been acquired by a bona fide purchaser, the City shall execute and, upon its request, the Paying Agent/Registrar shall register

and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Certificate, a new Certificate of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Certificate has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Certificate, pay such Certificate.

Upon the issuance of any new Certificate or payment in lieu thereof, under this Section, the City may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith.

Every new Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Certificate shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or stolen Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Certificates.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Certificates.

SECTION 26. Sale of the Certificates; Approval of Purchase Contract; Approval of Official Statement; Proceeds of Sale. The Certificates authorized by this Ordinance are hereby sold by the City to D.A. Davidson & Co., Plano, Texas, as the authorized representative of a group of underwriters (the *Purchasers*, having all of the rights, duties, and obligations of a Holder), in accordance with the provisions of a Purchase Contract (the *Purchase Contract*), dated July 22, 2025, attached hereto as Exhibit B and incorporated herein by reference as a part of this Ordinance for all purposes, at the price of par, plus a reoffering premium of \$ _____ (including the Purchaser's compensation of \$ _____, plus the Insurance Premium of \$ _____), and no accrued interest, and is hereby approved and confirmed. The Initial Certificate shall be registered in the name of D.A. Davidson & Co. The pricing and terms of the sale of the Certificates are hereby found and determined to be the most advantageous reasonably obtainable by the City. Any Authorized Official is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City and as the act and deed of this City Commission, and in regard to the approval and execution of the Purchase Contract, the City Commission hereby finds, determines and declares that the representations, warranties, and agreements of the City contained in the Purchase Contract are true and correct in all material respects and shall be honored and performed by the City. Delivery of the Certificates to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the Purchase Contract.

Proceeds from the sale of the Certificates shall be applied as follows:

(1) Accrued interest, if any, received from the Purchasers shall be deposited into the Certificate Fund.

(2) The City expects to receive a reoffering premium from the sale of the Certificates of \$_____ which is allocated by the City in the following manner: (i) \$_____ to pay the Purchasers' compensation, (ii) \$_____ to pay the Insurer's insurance premium, (iii) \$_____ shall be deposited into the construction account established in paragraph (3) below, and (iv) \$_____ to pay certain costs of issuance of the Certificates.

(3) The balance of the proceeds in the amount of \$_____ (being the principal amount of the Certificates in the amount of \$_____.00 and a portion of the reoffering premium in the amount of \$_____ derived from the sale of the Certificates (after paying costs of issuance) shall be deposited into the special construction account or accounts created for the project to be constructed with the proceeds of the Certificates and used to pay costs of such projects. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the proceeds of the Certificates pending completion of construction of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 14 of this Ordinance.

Furthermore, the City hereby ratifies, confirms, and approves in all respects (i) the City's prior determination that the Preliminary Official Statement was, as of its date, "deemed final" in accordance with the Rule (hereinafter defined) and (ii) the use and distribution of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Certificates. The final Official Statement, being a modification and amendment of the Preliminary Official Statement to reflect the terms of sale referenced in the Purchase Contract (together with such changes approved by any Authorized Official or any one or more of said officials), shall be and is hereby in all respects, including form and content approved and the Purchasers are hereby authorized to use and distribute the final Official Statement, dated July 22, 2025, in the reoffering, sale and delivery of the Certificates to the public. The Mayor, Mayor Pro Tem, and/or City Secretary or Acting City Secretary are further authorized and directed to manually execute and deliver for and on behalf of the City copies of the Official Statement in final form as may be required by the Purchasers, and such final Official Statement in the form and content manually executed by said officials shall be deemed to be approved by the City Commission and constitute the Official Statement authorized for distribution and use by the Purchasers. Each Authorized Official is hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Certificates.

SECTION 27. Covenants to Maintain Tax-Exempt Status.

A. Definitions. When used in this Section, the following terms have the following meanings:

Closing Date means the date on which the Certificates are first authenticated and delivered to the initial purchasers against payment therefor.

Code means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

Computation Date has the meaning set forth in Section 1.148-1(b) of the Regulations.

Gross Proceeds means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Certificates.

Investment has the meaning set forth in Section 1.148-1(b) of the Regulations.

Nonpurpose Investment means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Certificates are invested and which is not acquired to carry out the governmental purposes of the Certificates.

Rebate Amount has the meaning set forth in Section 1.148-1(b) of the Regulations.

Regulations means any proposed, temporary, or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Certificates. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

Yield of

(1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(2) the Certificates means the yield as calculated pursuant to Section 1.148-4 of the Regulations.

B. Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Certificate to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption

from federal income tax of the interest on any Certificate, the City shall comply with each of the specific covenants in this Section.

C. No Private Use or Private Payments. Except to the extent it will not cause the Certificates to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Certificates:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Certificates, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Certificates or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

D. No Private Loan. Except to the extent it will not cause the Certificates to become “private activity bonds” within the meaning of section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Certificates to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

E. Not to Invest at Higher Yield. Except to the extent it will not cause the Certificates to become “arbitrage bonds” within the meaning of section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Certificates directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, materially exceeds the Yield of the Certificates.

F. Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Certificates to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

G. Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

H. Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Certificate is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Certificates with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Certificates until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Certificates by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Certificate Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Certificates equals (i) in the case of a Final Computation Date as defined in Section 1.1483(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

I. Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Certificates, enter into any transaction that

reduces the amount required to be paid to the United States pursuant to Subsection H of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Certificates not been relevant to either party.

J. Certificates Not Hedge Bonds.

(1) The City reasonably expects to spend at least 85% of the spendable proceeds of the Certificates within three years after such Certificates are issued.

(2) Not more than 50% of the proceeds of the Certificates will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

K. Elections. The City hereby directs and authorizes any Authorized Official and Bond Counsel, either individually or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Certificates, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document. Such elections shall be deemed to be made on the Closing Date.

L. Qualified Tax-Exempt Obligations. The City hereby designates the Certificates as qualified tax-exempt obligations for purposes of section 265(b) of the Code. In furtherance of such designation, the City represents, covenants and warrants the following: (a) during the calendar year in which the Certificates are issued, the City (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Certificates, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) the City reasonably anticipates that the amount of tax-exempt obligations issued during the calendar year 2025 by the City (including any subordinate entities) will not exceed \$10,000,000; and the City will take such action or refrain from such action as is necessary in order that the Certificates will not be considered "private activity bonds" within the meaning of section 141 of the Code.

SECTION 28. Control and Custody of Certificates. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas and shall take and have charge and control of the Certificates pending their approval by the Attorney General of the State of Texas, the registration thereof by the Comptroller of Public Accounts of the State of Texas and the delivery of the Certificates to the Purchasers.

Furthermore, any Authorized Official, either individually or any combination of them, are hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Certificates, the approval of the Attorney General of the State of Texas and their registration by the Comptroller of Public Accounts of the State of Texas and, together with the City's financial advisors, Bond Counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Certificate to the Purchasers and, when requested in writing by the Purchasers, the initial exchange thereof for definitive Certificates.

SECTION 29. Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Certificates, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and the lien on and pledge of the Pledged Revenues under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Certificates, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Certificates or the principal amount(s) thereof at Stated Maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, and/or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Certificates, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof for the Certificates. In the event of a defeasance of the Certificates, the City shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent accounting firm, or another qualified third party concerning the deposit of cash and/or Government Securities to pay, when due, the principal of redemption premium (if any), and interest due on any defeased Certificate. To the extent applicable, if at all, the City covenants that no deposit of money or Government Securities will be made under this Section and no use made of any such deposit which would cause the Certificates to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 27 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Certificates, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Certificates and remaining unclaimed for a period of three (3) years after the Stated Maturity of the Certificates, or applicable redemption date of the Certificates, such money was deposited and is held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Certificates that is made in conjunction with the payment arrangements specified in subsection (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the City expressly reserves the right to call the defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Certificates immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased

Certificates, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Certificates.

SECTION 30. Printed Opinion. The Purchasers' obligation to accept delivery of the Certificates is subject to their being furnished a final opinion of Cantu Harden Montoya LLP, San Antonio, Texas, as Bond Counsel, approving certain legal matters as to the Certificates, this opinion to be dated and delivered as of the date of initial delivery and payment for such Certificates. Printing of a true and correct copy of this opinion on the reverse side of each of the Certificates, with appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary or Acting City Secretary of the City is hereby approved and authorized.

SECTION 31. CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Certificates shall be of no significance or effect as regards the legality thereof, and neither the City nor Bond Counsel are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Certificates.

SECTION 32. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 33. Ordinance a Contract, Amendments - Outstanding Certificates. The City acknowledges that the covenants and obligations of the City herein contained are a material inducement to the purchase of the Certificates. This Ordinance shall constitute a contract with the Holders from time to time, binding on the City and its successors and assigns, and it shall not be amended or repealed by the City so long as any Certificate remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders holding a majority in aggregate principal amount of the Certificates then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided, however, that, without the consent of all Holders of Outstanding Certificates, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

SECTION 34. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, Bond Counsel, Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, Bond Counsel, Paying Agent/Registrar, and the Holders.

SECTION 35. Inconsistent Provisions. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to

the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 36. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 37. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Commission hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 38. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 39. Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the City Commission of the City.

SECTION 40. Authorization of Paying Agent/Registrar Agreement. The City Commission of the City hereby finds and determines that it is in the best interest of the City to authorize the execution of a Paying Agent/Registrar Agreement concerning the payment, exchange, registration, and transferability of the Certificates. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit A and is incorporated by reference to the provisions of this Ordinance.

SECTION 41. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 42. Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the City or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

SECTION 43. No Recourse Against City Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Certificate or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificate.

SECTION 44. Continuing Disclosure Undertaking.

A. Definitions.

As used in this Section, the following terms have the meanings ascribed to such terms below:

EMMA means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) <http://www.emma.msrb.org>.

Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Rule means SEC Rule 15c2-12, as amended from time to time.

SEC means the United States Securities and Exchange Commission.

Undertaking means the City's continuing disclosure undertaking, described in Paragraphs B through F below, hereunder accepted and entered into by the City for the purpose of compliance with the Rule.

B. Annual Reports.

The City shall file annually with the MSRB, (1) within six months after the end of each fiscal year of the City ending in or after 2025, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 26 of this Ordinance, being the information described in Exhibit C hereto, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall file unaudited financial statements within such period and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such financial statements becomes available. Under current Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, the City must have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the City Secretary or Acting City Secretary within 180 days after the last day of the City's fiscal year. Additionally, upon the filing of this financial statement and the annual audit, these documents are subject to the Texas Open Records Act, as amended, Texas Government Code, Chapter 552.

If the City changes its fiscal year, it will file notice of such change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

C. Notice of Certain Events.

The City shall file notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of Holders of the Certificates, if material;
- (8) Certificate calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material.
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall file notice with the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

D. Limitations, Disclaimers, and Amendments.

The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit that causes the Certificates to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Certificates. The City may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the City so amends the provisions of this Section, the City shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

E. Information Format – Incorporation by Reference.

The City information required under this Section shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

Financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public through EMMA or filed with the SEC.

F. General Policies and Procedures Concerning Compliance with the Rule.

Because the issuance of the Certificates is subject to the provisions of the Rule and because the potential “underwriters” in a negotiated sale of the Certificates or the initial purchasers in a competitive sale of the Certificates may be subject to MSRB rules and regulations with respect to such sale (including certain due diligence and suitability requirements, among others), the City hereby adopts the General Policies and Procedures Concerning Compliance with the Rule (the *Policies and Procedures*), attached hereto as Exhibit E, with which the City shall follow to assure compliance with the Undertaking. The City has developed these Policies and Procedures for the purpose of meeting its requirements of the Undertaking and, in connection therewith, has sought the guidance from its internal staff charged with administering the City’s financial affairs, its municipal or financial advisors, its legal counsel (including its Bond Counsel), and its independent accountants (to the extent determined to be necessary or advisable). The Policies and Procedures can be amended at the sole discretion of the City and any such amendment will not be deemed to be an amendment to the Undertaking. Each Authorized Official is hereby authorized to amend the Policies and Procedures as a result of a change in law, a future issuance of indebtedness subject to the Rule, or another purpose determined by the Authorized Official to be necessary or desirable for or with respect to future compliance with the Undertaking.

SECTION 45. Book-Entry Only System.

The Certificates shall initially be registered so as to participate in a securities depository system (the DTC System) with the Depository Trust Company, New York, New York, or any successor entity thereto (DTC), as set forth herein. Each Stated Maturity of the Certificates shall be issued (following cancellation of the Initial Certificates described in Section 7) in the form of a single definitive Certificate. Upon issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Certificates shall be registered in the name of Cede & Co., as the nominee of DTC. The City and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations attached hereto as Exhibit D (the Representation Letter).

With respect to the Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Certificates from time to time as securities depository (a Depository Participant) or to any person on behalf of whom such a Depository Participant holds an interest in the Certificates (an Indirect Participant). Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Certificates, as shown on the Security Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Certificate, of any amount with respect to principal of, premium, if any, or interest on the Certificates. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a bond certificate evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar

of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the Holder, the word “Cede & Co.” in this Ordinance shall refer to such new nominee of DTC.

In the event that (a) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the Representation Letter shall be terminated for any reason, or (c) DTC or the City determines that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the City shall notify the Paying Agent/Registrar, DTC, and the Depository Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Certificates shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the City may determine that the Certificates shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the City, or such depository’s agent or designee, and if the City and the Paying Agent/Registrar do not select such alternate securities depository system then the Certificates may be registered in whatever name or names the Holders of Certificates transferring or exchanging the Certificates shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 46. Further Procedures. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Certificates, the Purchase Contract, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Certificates, any Authorized Official and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance and as described in the Official Statement necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Texas Attorney General’s office. In case any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 47. Contract with Financial Advisor and/or Bond Counsel. The City Commission authorizes any Authorized Official, or their designees, to take all actions necessary to execute any necessary financial advisory contracts with Estrada Hinojosa & Company, Inc., as the financial advisor to the City (the *Financial Advisor*). The City understands that under applicable federal securities laws and regulations that the City must have a contractual arrangement with its Financial Advisor relating to the sale, issuance, and delivery of the Certificates. In

addition, the City Commission also authorizes any Authorized Official, or their designees, to take all actions necessary to execute any necessary engagement agreement with Cantu Harden Montoya LLP, as Bond Counsel to the City.

SECTION 48. City's Consent to Provide Information and Documentation to the Texas MAC. The Municipal Advisory Council of Texas (the *Texas MAC*), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Internal Revenue Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the City hereby consents to and authorizes any Authorized Official, Bond Counsel to the City, and/or Financial Advisor to the City to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Certificates; provided, however, that no such information and documentation shall be provided prior to the Closing Date. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Certificates.

SECTION 49. Municipal Bond Insurance. The Payment of the debt service requirements on the Certificates is insured by the Insurer pursuant to the Insurance Policy.

SECTION 50. Effective Date. Pursuant to the provisions of Section 1201.028, as amended, Texas Government Code, this Ordinance shall be effective immediately upon adoption, notwithstanding any provision in the City's Home Rule Charter to the contrary concerning a multiple reading requirement for the adoption of ordinances.

(The remainder of this page intentionally left blank)

PASSED, APPROVED, AND ADOPTED on the 22nd day of July, 2025.

CITY OF SAN JUAN, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

INDEX TO EXHIBITS

Exhibit A.....	Paying Agent/Registrar Agreement
Exhibit B	Purchase Contract
Exhibit C	Description of Annual Financial Information
Exhibit D.....	DTC Letter of Representations
Exhibit E	General Policies and Procedures Concerning Compliance with the Rule

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

See Tab No. __

EXHIBIT B

PURCHASE CONTRACT

See Tab No. __

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 44 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The City's audited financial statements for the most recently concluded fiscal year or to the extent these audited financial statements are not available, the portions of the unaudited financial statements of the City attached to the Official Statement as Appendix B, but for the most recently concluded fiscal year.

2. The information of the type included in Tables 1 through 6 and 8 through 15, and in Appendix B.

Accounting Principles

The accounting principles referred to in such Section are generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time.

EXHIBIT D

DTC LETTER OF REPRESENTATIONS

See Tab No. __

EXHIBIT E

General Policies and Procedures Concerning Compliance with the Rule

I. Capitalized terms used in this Exhibit have the meanings ascribed thereto in Section 44 of the Ordinance. *Certificates* refer to the Certificates that are the subject of the Ordinance to which this Exhibit is attached.

II. As a capital markets participant, the City is aware of its continuing disclosure requirements and obligations existing under the Rule prior to February 27, 2019, the effective date of the most recent amendment to the Rule (the *Effective Date*), and has implemented and maintained internal policies, processes, and procedures to ensure compliance therewith. Adherence to these internal policies, processes, and procedures has enabled underwriters in non-exempt negotiated sales and initial purchasers in non-exempt competitive sales to comply with their obligations arising under various MSRB rules and regulations concerning due diligence and findings of suitability, among other matters, regarding the City's compliance with the Rule.

III. The City is aware that the Rule was amended as of the Effective Date (the *Rule Amendment*) and has accommodated this amendment by adding subparagraphs (15) and (16) to Section 44C of the Ordinance, which provisions are a part of the Undertaking.

IV. The City is aware that "participating underwriters" (as such term is defined in the Rule) of the Certificates must make inquiry and reasonably believe that the City is likely to comply with the Undertaking and that the standards for determining compliance have increased over time as a result of, among others, the United States Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative and regulatory commentary relating to the effectiveness of the Rule Amendment.

V. The City now establishes the following general policies and procedures (the *Policies and Procedures*) for satisfying its obligations pursuant to the Undertaking, which policies and procedures have been developed based on the City's informal policies, procedures, and processes utilized prior to the Effective Date for compliance with the City's obligations under the Rule, the advice from and discussions with the City's internal senior staff (including staff charged with administering the City's financial affairs), its municipal or financial advisors, its legal counsel (including Bond Counsel), and its independent accountants, to the extent determined to be necessary or advisable (collectively, the *Compliance Team*):

1. the Finance Director (the *Compliance Officer*) shall be responsible for satisfying the City's obligations pursuant to the Undertaking through adherence to these Policies and Procedures;
2. the Compliance Officer shall establish reminder or "tickler" systems to identify and timely report to the MSRB, in the format thereby prescribed from time to time, the City's information of the type described in Section 44B of the Ordinance;
3. the Compliance Officer shall promptly determine the occurrence of any of the events described in Section 44C of the Ordinance;

4. the Compliance Officer shall work with external consultants of the City, as and to the extent necessary, to timely prepare and file with the MSRB the annual information of the City and notice of the occurrence of any of the events referenced in Clauses 2 and 3 above, respectively, the foregoing being required to satisfy the terms of the Undertaking;
5. the Compliance Officer shall establish a system for identifying and monitoring any Financial Obligations, whether now existing or hereafter entered into by the City, and (upon identification) determining if such Financial Obligation has the potential to materially impact the security or source of repayment of the Certificates;
6. upon identification of any Financial Obligation meeting the materiality standard identified in Clause 5 above, the Compliance Officer shall establish a process for identifying and monitoring any City agreement to covenants, events of default, remedies, priority rights, or other similar terms under such Financial Obligation;
7. the Compliance Officer shall establish a process for identifying the occurrence of any default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation, the occurrence of any of which reflect financial difficulties of the City; and
8. the Compliance Officer shall annually review these Policies and Procedures with the remainder of the Compliance Team, make any modifications on an internal document retained by the Compliance Officer and available to any “participating underwriter” (as defined in the Rule), if requested, and on the basis of this annual review (to the extent determined to be necessary or desirable), seek additional training for herself or himself, as well as other members of the City’s internal staff identified by the Compliance Officer to assist with the City’s satisfaction of the terms and provisions of the Undertaking.

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Consider the Removal, Appointment, or Reappointment of Member(s) to the Keep San Juan Beautiful Board. [Brenda Escalante, City Secretary]

STAFF COMMENTS AND RECOMMENDATIONS:

The Keep San Juan Beautiful Board is composed of fifteen (15) members. Each member must be a resident of the City of San Juan and/or work in or operate a business within the city, be at least eighteen (18) years of age, and be of good moral character and standing in the community.

There are currently three (3) vacancies on the Board:

Tania Viveros
Mirta Espinosa
Daniel Flores

City staff recommend that the City Commission consider the appointment of three (3) new members to fill these vacancies and ensure continued board functionality.

RECOMMENDATION:

Approved as Recommended by the City Commission.

PREPARED BY:

Brenda Escalante,
City Secretary

APPROVED BY:

Tirso Garza, Interim City
Manager

KEEP SAN JUAN BEAUTIFUL BOARD

#	NAME	POSITION	EMPLOYMENT/ BUSINESS	INITIAL TERM	INITIAL DATE	DATE TERM EXPIRES	MOBILE NUMBER	EMAIL ADDRESS	ADDRESS
1	Eric Guajardo	Member	Independent Contractor	2 Yrs.	8/13/2024	3/22/2026	(956) 376-1465	c ire7four69@live.com	1400 Rio Blanco
2	Fernando Castillo	Member		1 Yr.	3/23/2024	3/22/2025	(956) 998-6936	fcastillo14@icloud.com	1302 Ohio Ave.
3	Jaime Castillo	Member		2 Yrs.	9/26/2023	9/26/2025	(956) 624-2535	jbicas@aol.com	
4	Rackel Jimenez	Member	Eric Real Estate Group	1 Yr.	8/13/2024	3/22/2024	(956) 821-5887	kellylongoria@msn.com	305 E. 10th St.
5	Jelet Martinez	Member	Continuum Gbl Solutions	1 Yr.	3/23/2024	3/22/2025	(956) 415-7022	Jelet.95@gmail.com	2504 Fern Dr.
6	Irene "Jeanna" Ramirez	Member	County of Hidalgo	2 Yr.	8/8/2023	9/13/2024	(956) 784-1873	jeanna1434@yahoo.com	2203 Fresno St.
7	Carlos Puente	Member	Retired	1 Yr.	8/8/2023	9/13/2024	(847) 293-7401	puente823@yahoo.com	2205 David Ave.
8	Eric Ismael Jimenez	Member	Realtor		1/27/2025		(956) 292-4500	eric@bettercalleric.com	305 E. 10th St.
9	Alejandro Hernandez	Member	Robinson Fresh		1/27/2025		(956) 330-3717	alexhdz051184.ah@gmail.com	1107 Sun Valley St.
10	Arturo Ramirez Jr.	Member	Pulice Construction		1/27/2025		(361) 231-2868	ramirezart912@gmail.com	1322 Rio Comal Cir.
11	Mirta Ramirez-Espinola	Member	GCU, IWU, UTA		1/27/2025		(210) 394-1254	espinola720@gmail.com	201 West 13 1/2 St
12	Tania Viveros	Member	PSJA ISD/STX College		1/27/2025		(956) 627-7606	taniaviveros1224@gmail.com	4616 N. 6th St. McAllen
13	Fernando A. Betancourt	Member	Lone Star National Bank		1/27/2025		(956) 655-1613	Fernie_b11@hotmail.com	407 Zebra Ct.
14	Daniel Garza Flores	Member	Garza-Flores Financial Services		1/27/2025		(956) 802-0110	daniel.garza.insurance@gmail.com	1619 Kiwi Court
15	Marta Rosales	Member	Texas Regional Bank		1/27/2025		(956) 715-7173	marccy100@aol.com	3111 Grandora Dr.
	Mayor Mario Garza	Ex-Officio		2 Yrs.	3/23/2024	3/22/2026			

*Board consist of 15 members and 1 Ex-Officio.

*8 Members and Ex-Officio serve an initial two-year term and two (7) members serve an initial one-year term.



City of San Juan

Application for Appointment

Date: 07/10/2025

Board / Commission / Committee: Keep San Juan Beautiful

Name: Anaïd Saldana

Mailing Address: 223 E Gomez Dr, San Juan Texas 78589

Preferred Phone and Fax: 956-502-1997

Employer: Oceangate Hospitality

Occupation: Area Manager

Email Address: anaidsaldana29@gmail.com

Are you or can you be qualified to vote in a City of San Juan Election? Yes

Are you a City of San Juan resident? ☒ Yes ☐ No How long? 8 years

Have you ever represented any other private person, group or entity for compensation before the City Commission or any department, commission, board of committee within the last three years? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in any contract with the City? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in the sale to the city of any land, materials, supplies or service? ☐ Yes ☒ No

List of professional or social membership(s)

McAllen Chamber of Commerce
Mission Chamber of Commerce

PSJA Lions Club

Experience/ Knowledge Pertaining to Board/ Commission/ Committee of Interest:

As a hospitality manager, I have developed a deep understanding of the importance of presentation, cleanliness, and community pride—core values that align closely with the mission of the Keep San Juan Beautiful Committee. My day-to-day responsibilities involve maintaining high standards of cleanliness, organization, and customer experience within our establishment, all of which require a strong attention to detail and a proactive approach to environmental stewardship.

Application will be kept on file for two (2) years: thereafter applicants must reapply. Applications may be faxed (956) 787-5978, mailed to the City Secretary (512 S. Nebraska, San Juan, TX 78589) or emailed to City Secretary Brenda Escalante at: bescalante@sjtx.us



City of San Juan

Application for Appointment

Date: 07-16-2025

Board / Commission / Committee: Keep San Juan Beautiful

Name: Bernardo Anthony Trevino

Mailing Address: 1321 Rio Grande St, San Juan, TX 78589

Preferred Phone and Fax: 956-732-9069

Employer: Self Employed

Occupation: REALTOR

Email Address: anthonytrevino.dtm@gmail.com

Are you or can you be qualified to vote in a City of San Juan Election? Yes

Are you a City of San Juan resident? ☒ Yes ☐ No How long? 7 yrs.

Have you ever represented any other private person, group or entity for compensation before the City Commission or any department, commission, board of committee within the last three years? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in any contract with the City? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in the sale to the city of any land, materials, supplies or service? ☐ Yes ☒ No

List of professional or social membership(s)

Greater McAllen Association of Realtors
Latin Recording Academy
American Recording Academy

Experience/ Knowledge Pertaining to Board/ Commission/ Committee of Interest:

As a resident of San Juan and someone deeply committed to uplifting our community, I'm honored to contribute to the Keep San Juan Beautiful Committee. My background in real estate gives me a strong understanding of property upkeep, neighborhood beautification, and community pride. I'm also actively involved in local events through my music, which has helped me connect with many families and business owners. I believe in leading with heart, showing up, and doing my part to make San Juan a more vibrant and welcoming place for all.

Application will be kept on file for two (2) years: thereafter applicants must reapply. Applications may be faxed (956) 787-5978, mailed to the City Secretary (512 S. Nebraska, San Juan, TX 78589) or emailed to City Secretary Brenda Escalante at: bescalante@sjtx.us



City of San Juan

Application for Appointment

Date: 7/11/2025

Board / Commission / Committee: Keep San Juan Beautiful

Name: Crystal Valdez

Mailing Address: 1101 W San Juan Circle San Juan Tx

Preferred Phone and Fax: 956.530.0951

Employer: LRGVDC – Community & Economic Development

Occupation: CSR II – Outreach Services

Email Address: crystal.alonzo96@gmail.com

Are you or can you be qualified to vote in a City of San Juan Election? yes

Are you a City of San Juan resident? ☒ Yes ☐ No How long? 29

Have you ever represented any other private person, group or entity for compensation before the City Commission or any department, commission, board of committee within the last three years? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in any contract with the City? ☐ Yes ☒ No

Do you, your spouse, or your employer have any financial interest, direct or indirect in the sale to the city of any land, materials, supplies or service? ☐ Yes ☒ No

List of professional or social membership(s)

PSJA Lions Club RGV Phantoms (Youth Baseball Team Organizer) Outreach Services – Solid Waste, Water Quality, Kari's Law	
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Experience/ Knowledge Pertaining to Board/ Commission/ Committee of Interest:

Experience creating and distributing educational materials on solid waste, recycling, environmental stewardship, and beautification

Skilled in event planning and community engagement

Application will be kept on file for two (2) years: thereafter applicants must reapply. Applications may be faxed (956) 787-5978, mailed to the City Secretary (512 S. Nebraska, San Juan, TX 78589) or emailed to City Secretary Brenda Escalante at: bescalante@sjtx.us

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Discussion and Consideration to Award RFQ NO. 25-010-06-20 for Utilities Professional Services Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study to the most Qualified Firm, Authorize the Interim City Manager to Negotiate a Contract and Execute any Related Documents. [Lori A. Maldonado, Purchasing Agent]

STAFF COMMENTS AND RECOMMENDATIONS:

On Wednesday, June 4, 2025 and June 11, 2025, staff solicited proposals for RFQ NO. 25-010-06-20 for Utilities Professional Services Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study. On June 20, 2025 a bid opening was held and a total of two proposals were submitted from the following firms:

WILLDAN FINANCIAL SERVICES
NEWGEN STRATEGIES AND SOLUTIONS LLC

RECOMMENDATION:

Staff is recommending awarding RFQ NO. 25-010-06-20 for Utilities Professional Services Water and Sanitary Sewer Cost of Service, Rate and Debt Capacity Study to the most qualified firm, authorize the Interim City Manager to negotiate a contract and execute any related documents.

PREPARED BY:

Lori Maldonado,
Purchasing Agent

APPROVED BY:

Tirso Garza, Interim City
Manager



**BID SUBMITTAL SHEET
UTILITIES PROFESSIONAL SERVICES
WATER & SANITARY SEWER COST OF SERVICE
RATE & DEBT CAPACITY STUDY
RFP NO. 25-010-06-20**

**BID OPENING: FRIDAY, JUNE 20, 2025 @ 10:00 A.M.
LOCATION: 512 S NEBRASKA, SAN JUAN, TX 78589
SAN JUAN CITY HALL**

FIRM	LOCATION	LITIGATION SUMMARY
WILLDAN FINANCIAL SERVICES	PLANO, TX	NO LITIGATION PENDING
NEWGEN STRATEGIES & SOLUTIONS, LLC	RICHARDSON, TX	NONE PROVIDED



CITY OF SAN JUAN



Proposal

**Utilities Professional Services
Water and Sanitary Sewer Cost of Service,
Rate and Debt Capacity Study**
RFQ NO. 25-010-06-20





June 20, 2025

Ms. Lori Maldonado
Purchasing Agent
City of San Juan
512 S. Nebraska Avenue
San Juan, TX 78589

Re: *Proposal to Conduct a Comprehensive Utility Rate and Debt Capacity Study for the City of San Juan*

Dear Ms. Maldonado:

Thank you for the opportunity to present this proposal to the City of San Juan ("the City") to conduct a comprehensive Water, Sanitary Sewer, and Debt Capacity Study. **Willdan Financial Services** ("Willdan") is one of the largest public sector financial consulting firms in the United States. We have worked with over 1,200 public agencies across the USA to successfully address a broad range of financial challenges, including comprehensive rate studies, financing the costs of growth, and generating revenues for utilities to fund desired services. **Our company has completed similar studies for over 125 cities in Texas, including 25 utilities in the Rio Grande Valley and Texas/Arizona border region.**

Willdan and its predecessor firm, Economists.com, is privileged to have served as the City's water and wastewater rate consultant for the past two decades. In 2004 we were engaged by the City of San Juan to prepare a comprehensive rate study and long-term financial plan. We were engaged again by the City in 2019 for a water and wastewater rate study. We completed both studies on time and on budget, and our reports received praise from both staff and City Council members. Other firms may claim that they can provide quality service to the City (of which they may or may not deliver), but with Willdan the City has a **proven track record of reliable service** with high quality work product delivered in a timely and cost-effective manner.

Our client references will confirm that we do not miss deadlines or exceed our budget in our engagements. We encourage you to contact our references for feedback on our performance, commitment to our clients and adherence to project milestones.

As stated above, Willdan has prepared similar studies for numerous utilities in the RGV and border region, including but not limited to: **Harlingen WaterWorks, Brownsville PUB, Edinburg, Primera, Laguna Madre Water District, Del Rio, Laredo, Webb County, and Mercedes.** Our familiarity with and expertise in the border region is unparalleled. We are located in the Dallas-Fort Worth metroplex and are only a few hours by direct flight from the Rio Grande Valley. In addition, one of our team members is fluent in Spanish.

Willdan's interactive approach will result in a customized financial model developed in Microsoft Excel that is easy to use, and a focused and tailored analysis of the City's current rates, revenues, capital project and operational expenditures, debt commitments, reserve funding, and other financial data. The culmination of our analysis will be a comprehensive rate plan that develops projected system operating results and allows for alternative rate plans for a ten-year time horizon.

We have already adapted our internationally recognized Excel-based financial model for the City in our last study. It will only require updating for this analysis. This is far more efficient than other firms which have no familiarity with the City and would have to build a similar model from scratch. Our model has already proven to be invaluable in helping us guide the City through operating and financial scenarios, evaluate the impact of policy assumptions, and perform sensitivity analysis on utility rate and financial strategies.

Our ability to focus on the financial aspects of operating publicly owned utility systems is coupled with recognized leadership in strategic planning and operations. This combination enables us to bring unmatched value to our clients. Our team brings a set of nationally recognized qualifications and experts that set us apart. These qualifications include:

Extensive Expertise in Financial Rate Modeling – Our team has decades of experience in water, sewer and debt capacity wholesale/retail rate modeling. Unlike many other firms, **our project team has extensive experience with the operations and finances of the City from our previous studies, and we do not require any subcontractors to complete the tasks involved in this study.** Our final interactive dashboard-driven model is already tailored specifically for the City and is both technically proficient and remarkably easy to understand and update. The Willdan rate model is considered to be one of the premier ratemaking tools in the industry and has been adapted for the use of setting rates for hundreds of cities across Texas, the USA and five sovereign nations.

The Project Team's efforts will result in a focused and tailored analysis of the City's current utility rates and revenues, development of a comprehensive financial management plan, wholesale and retail cost of service analysis based on guiding industry practices, and innovative rate design solutions. Our internationally recognized model will have the capability to carefully test and evaluate financial scenarios and rate design and policy assumptions.

Effectively Communicate Study Results — Sound technical analysis is only one element of this process. It will be equally important to effectively and transparently communicate results to City staff, City Commission members, key stakeholders and, ultimately, to those that will be subject to new rates.

In other words, the objective of this study is not simply to write a report, deliver it to the client, and leave. **We consider rate studies to be part of an overall process, the ultimate goal of which is to adopt a formal, and final 5 to 10-year revenue requirement analysis and rate plan for each utility.** This involves far more than the completion of a report – the public involvement process is critical, and we will work tirelessly with staff to ensure that our recommended alternatives are successfully implemented. Most of our projects incorporate significant community and/or stakeholder involvement and education efforts, and our experienced consultants are able to communicate complicated technical analysis in a manner that is easy to follow and understand. We take pride in the frequent compliments we receive from clients about the ease and understandability of our presentations, and the fact that they present critical information required to make decisions in a straightforward and easy to follow manner.

Appreciate the Sensitivity of Rate Proposals – Our team understands the fact that the political, social and economic impact of rate alternatives on ratepayers is of critical importance to those who responsible for deciding whether to implement these plans. We recognize that it is never easy to ask ratepayers to pay more for utility service. Therefore, we will work with City staff to design rate alternatives that will recover the revenue the utility requires, while to the best extent possible minimizing the impact of any increases on ratepayers and their families.

Offer a Highly Innovative Approach — Our approach to the development of utility rates has been carefully honed over the years. We will work collaboratively with City staff to carefully assess and understand the City's unique water, sewer and debt capacity system concerns and issues and develop a tailored approach that will best serve your needs. We do not use a "cookie-cutter" approach but rather bring a combination of planning and financial expertise providing a thorough understanding of all aspects of utility operations and management. This allows us to work collaboratively to provide comprehensive business solutions. Our objective is to educate and inform throughout the process, not just at the completion of the project.

In summary, we are very excited about the opportunity to provide such a valuable service to the City. For that reason, we will devote our firm's resources to ensure that the City's objectives are achieved with the highest level of satisfaction. Our project team has significant additional capacity to prepare this study while maintaining our existing book of business.

I am authorized to sign the City's contract with Willdan. My contact information is below. Thank you once again for this opportunity. We look forward to hearing from you.

Respectfully submitted,

Willdan Financial Services



Dan V. Jackson
Vice President

Contact Information

Primary Contact

Dan Jackson

Cell #: (972) 998-0417

Office #: (972) 378-6588

Email: djackson@willdan.com



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Experience
Firm History

Willdan Financial Services is an operating division within Willdan Group Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publicly traded company (WLDN). WGI, through its divisions, provides professional technical and consulting services that ensure the quality, value and security of our nation’s infrastructure, systems, facilities, and environment. The firm has pursued two primary service objectives since its inception—ensuring the success of its clients and enhancing its surrounding communities.

A financially stable company, Willdan has approximately 1,770 employees working in more than a dozen states across the U.S. Our employees include a number of nationally recognized Subject Matter Experts for all areas related to the broadest definition of connected communities, four of whom are committed to contribute their expertise throughout the duration of the City’s engagement.

Willdan has solved complex challenges for local communities and delivered industry-leading solutions that have transformed government and commerce. Today, we are leading our clients into a future accelerated by change in resources, infrastructure, technology, regulations, and industry trends.

Willdan Financial Services

Established in 1988, Willdan Financial Services, is one of the largest public sector economic and financial analysis consulting firms in the United States. We have helped over 800 public agencies successfully address a broad range of infrastructure challenges. Willdan assists local public agencies by providing the following services:

Willdan Financial Services	
Primary Services	
- Utility rate and cost of service studies - User fee studies - Cost allocation studies - Real estate economic analysis - Tax increment finance district formation and amendments - Property tax audits - Housing development and implementation strategies - Municipal advisory services	- Public Improvement District Formation and Administration - Development impact fee establishment and analysis - Economic development strategic plans - District administration services - Feasibility studies - Arbitrage rebate and continuing disclosure services - Debt issuance support - Long-term financial plans and cash flow modeling.

Our staff of over 80 full-time employees supports our clients by conducting needs based project delivery to assist them in keeping current with the latest developments in our areas of expertise.

In 2015, the Plano, Texas office of Economists.com joined Willdan. Economists.com provided economic analysis and innovative financial solutions since 1997 to a wide range of municipal and public sector utilities and other critical infrastructure organizations.



Founded in 1964



50+
Offices
Nationwide



800+
Municipal/Government Clients

Experience across

13 States **7** Countries



Experience spanning

30+ Years



240+
Utility Rate Studies
in the past 5 years



Members of



AWWA



WEF



WRF



NACVA

DIVERSE STAFF



Project Managers



Financial Consultants



Community Engagement Experts



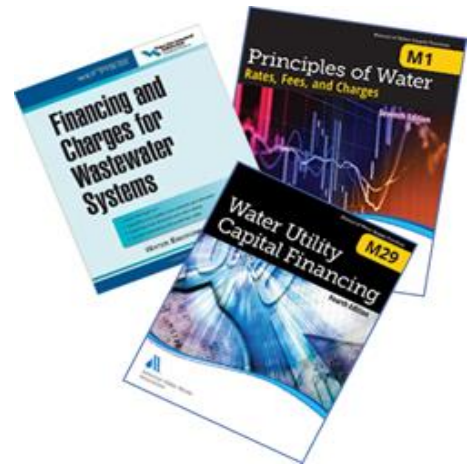
CPA's



Certified Valuation Analyst

Utility Rate Experience

Willdan's professional staff has provided professional consulting services, including financial planning; rate and cost-of-service studies; alternative and feasibility analyses; and operational and management studies for water, reclaimed water, sewer and debt capacity utility clients across the United States for three decades. Additionally, *Willdan staff are involved with the development of the rate-setting methodologies set forth in the American Water Works Association (AWWA) M-1 manual "Principles of Water Rates, Fees and Charges," the AWWA M-85 manual "Development Impact Fees", and the AWWA M-29 manual "Water Utility Capital Financing."* Willdan is nationally recognized for its expertise with staff frequently being called upon to speak or instruct on utility financial matters, as subject matter experts, including the AWWA Utility Management conference.



Willdan staff is experienced in a broad range of utility planning services; and therefore, understand the importance of an approach that integrates elements of utility planning, engineering, and finance. Willdan Team members possess considerable experience in utility rate and cost-of-service studies and have performed these services for hundreds of utilities throughout the country. Our team includes staff with public sector experience spanning 30 years, and staff on the forefront of utility ratemaking and rate-modeling. In addition, some team members have held staff positions with local jurisdictions and therefore understand the financial, operational, and political realities faced by governmental staff and management. We craft solutions which are sensitive to this. Our expertise spans across the following financial planning services:

Willdan Financial Services

Experience and Expertise

- Retail and wholesale rate studies
- Revenue sufficiency analyses
- Utility management and policy assistance
- Connection fee / impact fee studies
- Miscellaneous fee and charge studies
- Renewal and replacement sufficiency analyses
- Comprehensive alternatives analyses
- Capital project funding studies
- Interactive rate model development with dashboards showing key performance indicators
- Impact Fee/System Development Charge Studies
- CIP financial scenario planning
- Bond feasibility reports
- Valuation/divestiture studies
- Litigation Support & Expert Witness Services
- Public Improvement District Administration

Willdan works with the City to identify and prioritize operational and fiscal objectives, and then to match these objectives to specific rate attributes. We use this information throughout the engagement to develop a comprehensive financial plan and design utility rates that effectively meet not only financial, but also your policy goals. The culmination of our analyses will be rate policies that guide the rate setting process and long-term financial management plan that develops projected system operating results for the utility for the forecasted period.

Willdan employs its proven interactive approach coupled with advanced financial modeling techniques to design rates and a financial plan that meets established goals and performance criteria. These modeling techniques serve as a powerful decision-support tool to provide the City with genuine business solutions and recommendations as to the strategic direction of its utilities.

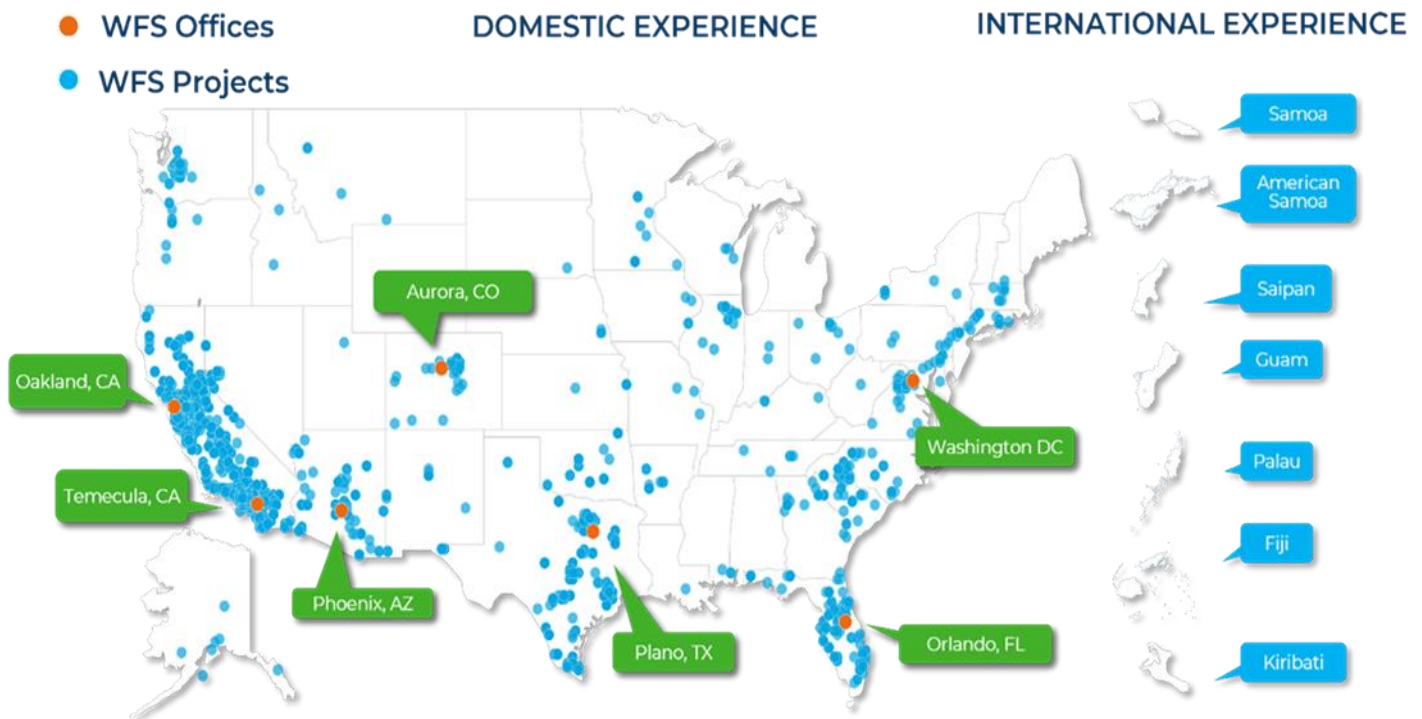
During rate and financial planning projects we employ tools and techniques which focus on consensus building among stakeholders to ensure the team understands the future financial implications of current management decisions. Our extensive project expertise is bolstered by our unique interactive financial planning process and model.

Similar Projects

Willdan has a long history of successful project engagement and management, both in the state of Texas and around the world. In addition to over **125 cities in Texas alone**, the Plano office has worked for over 75 cities across the USA, the sovereign nations of Fiji, Palau, Samoa and Kiribati, and the US Commonwealth/Territories of Saipan CNMI, Guam and American Samoa. **Designated project team members listed in this proposal worked on every one of these engagements.**

National & International Presence

Willdan team members possess considerable experience in utility rate and cost-of-service studies and have performed these services for hundreds of utilities throughout the country and seven sovereign nations and territories in the Pacific Region. The graphical representation below depicts Willdan's office locations and geographical client presence.



Texas Projects Delivered by WFS | Texas

Because the Plano, Texas office will manage and conduct this study, in these we will present our qualifications from this office. **Project team members assigned to the San Juan project participated in every one of these projects.** Unlike other firms, we do not “pack” our proposals with qualifications from non-team members, as those projects are not relevant to the expertise being offered to the City.

Willdan Financial Services -- Plano Office			
Texas Clients			
Large Cities	Mid-Sized Cities		SUDs/Districts
Allen	Alamo Heights	Marble Falls	Aqua Water Supply Corporation
Amarillo	Alvarado	Marfa	Brazos River Authority
Arlington	Aubrey	McLendon-Chisholm	Cinco Southwest MUD 1, 2, 3
Bellaire	Balch Springs	Melissa	Cibolo Creek Municipal Authority
Brownsville PUB	Bellmead	Mercedes	Cibolo Valley Local Govt Corp
Burleson	Beeville	Midlothian	Denton County FWSD #1A
Cedar Hill	Brady	New Summerfield	Denton County FWSD #8C
Coppell	Castroville	Oak Point	Denton Cty Transportation Agency
Del Rio	Celina	Parker	East Medina County SUD
Denison	Cleburne	Primera	El Paso County WCID #4
Denton	Combes	Princeton	Harris County MUD 188
DeSoto	Crandall	Prosper	Jonah Water SUD
Duncanville	Donna	Raymondville	Kempner WSC
Frisco	Eagle Pass	Robstown	Laguna Madre Water District
Grand Prairie	Edinburg	Rockport	North Fort Bend Water Authority
Galveston	Fairfield	Royse City	Palo Pinto CMWD #1
Garland	Fairview	San Benito	Peach Creek WSC
Harlingen	Ferris	San Juan	Schertz Seguin LGC
Laredo	Glen Rose	Schertz	Southmost Regional Water Auth
Leander	Graham	Seguin	Tornillo Water Improvement Dist
League City	Groesbeck	Selma	Trent WaterWorks
McKinney	Hackberry	Sonora	Wells Branch MUD
Mesquite	Harker Heights	Taylor	West Harris County RWA
New Braunfels	Heath	Troup	Yancey Water Supply Corporation
Plano	Hempstead	Van Alstyne	
Port Arthur	Hewitt	Venus	
Richardson	Hutchins	Waxahachie	
Richland Hills	Hutto	Webb County	
Rockwall	Kennedale	Whitehouse	
Rowlett	La Villa	Wilmer	
San Marcos	Lavon	Winona	
Sherman	Liberty Hill	Woodway	
Tomball	Little Elm	Waller	
Waco	Llano		
	Los Fresnos		

Rio Grande Valley/Border Region Clients | Plano Office

Willdan project team members have a long history of service to Rio Grande Valley and border clients. As shown in the table below, we have worked for over 25 Texas and Arizona border communities, and **our service dates back to 1990, a period of over 35 years**. Our project team is intimately familiar with the operational and financial challenges of providing water service in the border region.

Willdan Financial Services -- Plano Office Border Region Clients	
Client	Most Recent Engagement
Texas	
Brownsville PUB	2023
Del Rio	2020
Edinburg	2024
El Paso County Tornillo WCID	2025
El Paso County WCID #4	2018
Harlingen WaterWorks	2025
La Villa	2007
Laguna Madre Water District	2022
Laredo	2015
Mercedes	2005
Primera	2025
Raymondville	2001
San Juan	2019
Southmost Regional Water Authority	2001
Webb County	2023
Arizona	
Bisbee	2025
Douglas	2017
Nogales	2018
Patagonia	2005
San Luis	2025
Somerton	2025
Tombstone	2002
Wellton	2024
Willcox	2025
Yuma	2025

Non-Texas and International Clients | Plano Office

Willdan Financial Services Client List -- Plano Office -- Non-Texas Clients					
Arizona			Arkansas		
1	AZ Dept Environ Qual	25	Miami	1	Bryant
2	Avondale	26	Nogales	2	Community Water System
3	Bisbee	27	Oro Valley	3	Conway
4	Buckeye	28	Patagonia	4	Greenbrier
5	Bullhead City	29	Payson	5	Hot Springs
6	Camp Verde	30	Picacho Peak	6	Hot Springs Village
7	Carefree	31	Pine Strawberry WID	7	North Little Rock WW Utiliuty
8	Casa Grande	32	Pomerene Domestic WID	8	Russellville
9	Chino Valley	33	Prescott	9	Benton Washington RPWA
10	Clarkdale	34	Prescott Valley		
11	Clifton	35	Quartzsite	Oklahoma	
12	Cottonwood	36	Queen Creek	1	Ada
13	Chloride DWID	37	Safford	2	Chickasha
14	Douglas	38	Show Low	3	Lindsay
15	Eagar	39	San Luis	4	Potawatomi Nation
16	Eloy	40	Somerton	5	Edmond
17	Flowing Wells Irr Dist	41	Springerville	6	Miami
18	Florence	42	Tombstone	7	Pryor
19	Gila Bend	43	Water Infra Finance Auth		
20	Globe	44	Wellton	USA	
21	Goodyear	45	Willcox	1	North Chicago, IL
22	Holbrook	46	Winslow	2	South Adams County, CO
23	Jerome	47	Yuma	3	Sarpy County, NE
24	Marana			4	Eustis, FL
Pacific Nations and Territories					
		1	Water Authority of Fiji		
		2	Palau Public Utilities Corp		
		3	Kiribati PUB		
		4	American Samoa Power Auth		
		5	Electric Power Corp – Samoa		
		6	Cwealth Utilities Corp – Saipan		
		7	Guam Power Authority		
		8	World Bank		
		9	Asian Development Bank		
		10	Pacific Region Infrastructure Auth		

Project Team & Experience

Key Personnel

Our management and supervision of the project team is very simple: staff in every position with experienced, capable personnel in sufficient numbers to deliver a superior product to the client, on time and on budget. With that philosophy in mind, we have selected experienced professionals for this engagement. The chart below identifies each team member and their role specific to this project.

The team presented within this proposal has worked collectively on numerous similar projects. An established work practice among the team members has been forged, allowing us to deliver your project effectively and efficiently.

City of San Juan, Texas Project Team			
Dan Jackson Vice President Senior Project Advisor			
Areas of Expertise:	Rate and Cost-of-Service Studies; Strategic Planning; Expert Witness Testimony; Financial and Cash Flow Analyses; Revenue Sufficiency Studies; Special District Formation and Administration		
Office Location:	5500 Democracy Drive, Suite 130, Plano, Texas 75024		
Telephone:	(972) 378-6588	Email:	djackson@willdan.com
Jason Gray Vice President & Managing Principal Project Director			
Areas of Expertise:	Rate and Cost-of-Service Studies; Impact/Capacity Fees; Expert Witness Testimony; Debt Issuance Support; Financial and Cash Flow Analyses; Bond Feasibility Reports; Revenue Sufficiency Studies		
Office Location:	5500 Democracy Drive, Suite 130, Plano, Texas 75024		
Telephone:	(972) 378-6588	Email:	jgray@willdan.com
Jeff McGarvey Project Advisor			
Areas of Expertise:	Rate & Cost-of-Service Studies; Rate Design; Dynamic Computer Modeling; Impact/Connection Fee Studies; Revenue Bonds; Capital & Financial Planning; Acquisitions & Mergers; Utility Valuations; Long Term Strategic Planning		
Office Location:	200 South Orange Avenue, Suite 1550, Orlando, FL 32801		
Telephone:	(407) 872-2467	Email:	jmcgarvey@willdan.com
Alex Hulevich Senior Project Analyst			
Areas of Expertise:	Cost-of-Service Studies; Rate Studies; Revenue Sufficiency Studies; Cost Allocation Studies; User Fee Studies		
Office Location:	5500 Democracy Drive, Suite 130, Plano, Texas 75024		
Telephone:	(972) 378-6588	Email:	ahulevich@willdan.com

Subcontractors

Due to the nature of the requested services and Willdan's vast experience with the proposed scope of work, Willdan will not employ, contract with, or use the services of any subcontractors at any point during this engagement.

Resumes

A resume for each team member has been provided on the following pages.

Dan V. Jackson, MBA

Sr. Project Advisor

Education

Master of Business Administration, University of Chicago, Specialization in Finance/Accounting

Bachelor of Arts, University of Chicago, Major in Social Sciences, Dean's Honor List

Areas of Expertise

Rate Design

Cost of Service

Financial Forecasting

Valuation Analysis

Acquisition Analysis

Privatization Analysis

Economic Impact Analysis

Expert Witness Testimony

Affiliations

Member, American Water Works Association

National Association for Business Economics

Other

The Forgotten Men (fiction) – Mediaguruz

Rainbow Bridge – Fiction – Mirador Publishing

40 Years' Experience

Dan V. Jackson has 40 years of experience as an international financial expert, having completed utility rate/cost of service studies and long-term financial plans for clients throughout the USA and five sovereign Pacific nations. He also has served as an expert witness in state court, federal court and before several public utility commissions. Mr. Jackson's prior experience includes positions with Deloitte and Touche and Reed-Stowe and Company.

Mr. Jackson has prepared over 400 utility rate studies for over 100 clients in Texas, 200 clients across the USA, and 5 sovereign nations during his long career. He has given dozens of lectures and presentations before professional associations on utility rate issues.

Water/Wastewater – Rate Studies and Long-Term Financial Plans

Mr. Jackson has served as project manager for over 400 water and wastewater rate studies and long-term financial plans. His clients have primarily been cities and public utilities located in Texas, Oklahoma, Arkansas, Arizona and across the USA. He has given over 300 public presentations on rate and long-term financial plans for city councils and ratepayers throughout the USA. His clients have ranged from Arizona and Texas border communities to Northwestern metropolises, rural water districts, urban suburbs and inner-city communities.

Electric – Rate Studies and Financial Plans

Mr. Jackson has managed over 25 electric rate studies across the USA. He has helped set electric rate policy in 5 nations and has met with senior government officials and regulatory agencies to develop appropriate guidelines. He is frequently engaged by the Asian Development Bank to prepare electric tariff analyses and assess the impact of solar PV on the cost of service for Pacific utilities. He has provided expert witness testimony supporting electric rate designs.

Solid Waste and Stormwater – Rate Studies and Financial Plans

Mr. Jackson has managed over 15 solid waste and 10 stormwater rate studies and financial plans, across the southwest United States and the Pacific Region. He has provided expert witness testimony supporting electric rate designs on numerous occasions.

Water/Wastewater – CCN/ System Valuations and Acquisitions

Mr. Jackson has prepared approximately 50 water and wastewater CCN and system valuations, for the purpose of enabling utilities to acquire additional service territory. A critical component of these analyses was the impact of the acquisitions on the user rates for both existing ratepayers and the acquired territories.

Water/Wastewater – Impact Fee Studies

Mr. Jackson has prepared approximately 25 water and wastewater impact fee studies for utilities throughout the United States.

International Experience

Mr. Jackson is recognized as an international expert on utility financial planning and tariff (rate) design by the World Bank and the Asian Development Bank. Under their direction, he has assisted in projects that have brought potable water to villages in developing nations. He has worked on these engagements in the independent nations of Fiji, Samoa, Palau, Kiribati, and the U.S. territories of American Samoa and the Commonwealth of Northern Mariana Islands. He has worked independently for water, wastewater and electric utilities in Guam, Tuvalu and the Kingdom of Tonga.

Other

Mr. Jackson has prepared numerous additional utility financial analyses, include: utility wholesale contract reviews, cost allocation studies, non-rate fee studies, lease vs. purchase, economic impact of desalination, telecommunications franchise fees, and the financial feasibility of reuse.

Representative Client Listing

Water/Wastewater/Electric – Rate Studies and Long-Term Financial Plans

Texas – Dallas/Fort Worth

D. Jackson
Resume Continued

- | | | |
|--------------|-----------------|----------------------|
| ▪ Allen | ▪ Balch Springs | ▪ Burleson |
| ▪ Cedar Hill | ▪ Celina | ▪ Cleburne |
| ▪ Denison | ▪ Denton County | ▪ Coppell |
| ▪ DeSoto | FWSD 1A | ▪ Denton County FWSD |
| ▪ Ferris | ▪ Duncanville | 8C |
| ▪ Garland | ▪ Grand Prairie | ▪ Fairview |
| ▪ Heath | ▪ Hutchins | ▪ Frisco |
| ▪ Kaufman | ▪ Little Elm | ▪ Hackberry |
| ▪ Mesquite | ▪ Kennedale | ▪ Josephine |
| ▪ Princeton | ▪ Midlothian | ▪ McKinney |
| ▪ Rowlett | ▪ Parker | ▪ Oak Point |
| ▪ Rockwall | ▪ Prosper | ▪ Plano |
| ▪ Venus | ▪ Royce City | ▪ Richardson |
| | ▪ Sachse | ▪ Sherman |

Texas — Statewide

- | | | |
|-----------------------------------|-----------------------------------|-----------------------------------|
| ▪ Alvarado | ▪ Amarillo | ▪ Aqua Water Supply Corporation |
| ▪ Beeville | ▪ Brownsville PUB | ▪ Brady |
| ▪ Castroville | ▪ Cibolo Creek | ▪ Combes |
| ▪ Crystal Clear SUD | Municipal Authority | ▪ Donna |
| ▪ El Paso County WCID #4 | ▪ Del Rio | ▪ Edinburg |
| ▪ Galveston | ▪ El Paso County | ▪ Fairfield |
| ▪ Harlingen | Tornillo WCID | ▪ Groesbeck |
| WaterWorks | ▪ Galveston County | ▪ Hewitt |
| ▪ Harker Heights | WCID | ▪ Kempner WSC |
| ▪ Hondo | ▪ Hempstead | ▪ La Villa |
| ▪ Laredo | ▪ Jonah Special Utility District | ▪ Liberty Hill |
| ▪ Leander | ▪ Laguna Madre Water District | ▪ Marfa |
| ▪ Los Fresnos | ▪ League City | ▪ New Braunfels |
| ▪ McLendon-Chisholm | ▪ Marble Falls | ▪ Port Arthur |
| ▪ North Fort Bend | ▪ Mercedes | ▪ Raymondville |
| Water Authority | ▪ Paris | ▪ San Juan |
| ▪ Port of Houston Authority | ▪ Primera | ▪ Selma |
| ▪ Robinson | ▪ Robstown | ▪ Southmost Reg. Water Authority |
| ▪ Schertz | ▪ Seguin | ▪ Venus |
| ▪ Schertz-Seguin Local Govt Corp. | ▪ Sonora | ▪ West University Place |
| ▪ Tomball | ▪ Troup | ▪ Winona |
| ▪ Waller | ▪ West Harris Co. Reg. Water Auth | ▪ Yancey Water Supply Corporation |
| ▪ Webb County | ▪ Whitehouse | |

Arizona

- Bisbee
- Carefree
- Chloride Domestic Water Imp District
- Cottonwood
- Eloy
- Goodyear
- Marana
- Oro Valley
- Prescott
- Queen Creek
- Show Low
- Tonto Village DWID
- Winslow
- Buckeye
- Casa Grande
- Clarkdale
- Douglas
- Florence
- Holbrook
- Miami
- Patagonia
- Prescott Valley
- Safford
- Somerton
- Wellton
- Yuma
- Camp Verde Sanitary District
- Chino Valley
- Clifton
- Eagar
- Flowing Wells Improvement Dist.
- Jerome
- Nogales
- Payson
- Quartzsite
- San Luis
- Tombstone
- Willcox

Arkansas

- Bryant
- North Little Rock Wastewater Utility
- Conway
- Russellville
- Benton Washington RPA
- Hot Springs
- Hot Springs Village
- Community Water System

Oklahoma

- Ada
- Edmond
- Lindsay
- Altus
- Miami
- Chickasha
- Pryor

Electric and International Regulated Utilities – Pacific and Caribbean

- Water Authority of Fiji
- EPC, Independent State of Samoa
- Palau Public Utilities Corporation
- Guam Power Authority
- Commonwealth Utility Corp Saipan
- Virgin Islands Telephone Company
- Kiribati Public Utilities Board
- American Samoa Power Authority

Stormwater – Rate Studies and Long-Term Financial Plans

- Hot Springs, AR
- Balch Springs, TX
- Prescott Valley, AZ
- Hewitt, TX
- Coppell, TX
- Bryant, AR
- San Marcos, TX

Solid Waste – Rate Studies and Long-Term Financial Plans

- Duncanville, TX
- Frisco, TX
- Hewitt, TX
- Mercedes, TX
- San Luis, AZ
- Somerton, AZ
- Goodyear, AZ
- Altus, OK
- Miami, OK

Impact Fee Studies

- E. Medina Co. Special Utility Dist, TX
- Harlingen, TX
- Los Fresnos, TX
- Seguin, TX
- Wellton, AZ
- Yuma, AZ
- Cibolo Creek Municipal Auth., TX
- Laguna Madre Water District, TX
- Marble Falls, TX
- San Luis, AZ
- Prescott, AZ
- Hot Springs, AR
- Crystal Clear SUD, TX
- Liberty Hill, TX
- Mesquite, TX
- Marana, AZ
- Prescott Valley, AZ

Jason D. Gray, MPSA

Project Director

Education

*Master of Public Service
Administration, George Bush
School of Government & Public
Service at Texas A&M
University*

*Bachelor of Arts in Political
Science, Minnesota State
University at Moorhead*

*Certificate in High
Performance/High Potential
Leadership*

*Cox School of Business at
Southern Methodist University*

*Certification in Mediation &
Dispute Resolution*

*George Bush School of
Government & Public Service
at Texas A&M University*

Areas of Expertise

Executive-level reporting

*Data storytelling to enhance
decision support*

Strategic Planning

Financial Forecasting

Economic Impact Analysis

*Economic Development
Negotiations*

*Financial Impacts of
Municipal Growth*

Bond Rating Optimization

Expert Witness Testimony

Affiliations

*Member, International
City/County Management
Association*

*Member, Texas City
Management Association*

*Member, American Public
Works Association*

26 Years' Experience

Jason Gray is a management consultant with over 25 years of combined city staff and municipal consulting experience. As a former City Manager, Mr. Gray gained a hands-on appreciation of the operational, political, and financial considerations necessary for rate and fee studies. As a professional consultant, Mr. Gray has led over 170 municipal projects ranging from utility rate studies and long-term financial plans, City Council workshop facilitations, city-wide strategic planning efforts, financial and economic impact analyses of growth and development, and consistently engaging project stakeholders in meaningful ways.

Relevant Consulting Experience

Project manager and analyst for multiple water/wastewater rate studies and long-term financial plans:

- Celina, TX
- Friendswood, TX
- Harlingen, TX
- Burleson, TX
- Mesquite, TX
- Hewitt, TX
- McKinney, TX
- Sherman, TX
- Josephine, TX
- Cleburne, TX
- Heath, TX
- Denison, TX
- Safford, AZ
- Richland Hills, TX
- Melissa, TX
- Bellaire, TX
- Friendswood, TX
- Graham, TX
- Great Lakes Water Authority, MI
- Kennedale, TX
- Palo Pinto County Municipal WD #1

North Texas Municipal Water District (TX)

Solution architect for the restructuring of a multi-billion-gallon wholesale water rate, assisting thirteen member cities to compromise on a generational rate structure settlement

Frisco, TX

Lead city negotiator and project manager on a multi-decade 2,100-acre mixed-use development projected to deliver over \$3 billion in direct value growth

Lead negotiator for a community to partner with a quality developer on a high-profile 14-acre commercial development site with a planned improvement value of over \$350 million

Denton County Transportation Authority, TX

Sales tax and revenue impact analyst for mass transit authority adapting revenue estimates to account for COVID-19 pandemic

Facilitated strategic planning, goal alignment, goal execution, and reporting processes:

- Bismarck, ND, TX
- Missouri City, TX
- Pilot Point, TX
- Hutto, TX
- Argyle, TX
- Rio Grande Valley MPO

Founded the Center for Public Servant Leadership, an organization that provides tools and training to public-sector entities to develop a culture of servant leadership

Recent Relevant Projects

McKinney, TX

- Increased General Fund reserve by 28% in three years with no tax increases and limited assessed value increases
- Elevated S&P Credit Rating to the industry best AAA

J. Gray
Resume Continued

- Cultivated a culture of transparency which led to one of just four perfectly rated Texas Comptroller's Office Gold Leadership Circle awards (2012) and a Platinum Leadership Circle award (2014)
- Developed multi-year financial plan to execute reasonable and regular property tax rate reductions
- Developed and implemented a strategic "Program/Service Level" methodology of budget decision-making utilizing quantitative and qualitative
- Improved ISO rating from ISO3 to ISO1, significantly decreasing commercial property and liability insurance costs
- City Manager of Money Magazine's Best Place to Live in America in 2014

Celina, TX

- Increased Moody's and S&P Bond Ratings three steps from junk bond status to investment grade
- Created and administered multiple Tax Increment Reinvestment Zones
- Renegotiated the City's largest single development agreement to provide for city public safety services to a residential community outside of the city limits
- Dramatically increased General Fund reserve from 3 days of operating reserve to over 80 days of reserve in three years
- Led effort to plan, propose, and approve the three successful bond elections

Frisco, TX

- Created and administered multiple Tax Increment Reinvestment Zones
- Led effort to plan, propose, and approve the three successful bond elections
- Project manager for selection of and transition to a new Enterprise Resource Planning (ERP) system

Expert Witness Testimony & Litigation Experience

Petition by Outside City Ratepayers Appealing the Water Rates Established by the City of Leander, TX

Public Utility Commission of Texas | Docket #53063 | Testifying Expert for the City of Leander

MC Trilogy, Texas, LLC v. City of Heath et al

United States District Court for the Northern District of Texas, Dallas Division | Docket #3:22-CV02154-D | Testifying Expert Witness

Petition of the Cities of Garland, Mesquite, Plano, and Richardson Appealing Wholesale Water Rates Implemented by North Texas Municipal Water District

Public Utility Commission of Texas | Docket #46662 | Analyst and Settlement Solution Architect for multiple parties

Collin County Municipal Utility District No. 1 Appealing Water and Wastewater Rates established by the City of Celina

Public Utility Commission of Texas | Docket #49448 | Testifying Expert Witness for City of Celina

City of Celina v. City of Pilot Point and Talley Ranch Management LTD

Texas 2nd District of Appeals | 362nd District Court of Denton County | Docket #2-08-230-CV | Fact witness for City of Celina

Upstream Addicks and Barker (Texas) Flood-Control Reservoirs v. United States

Court of Federal Claims | Sub-Master Docket No. 17-9001L | Brief for Amici Curiae

City of Marana, AZ v. Pulte Home Company, LLC

Arizona Superior Court, Pima County | Case No. C2020 5095 | Testifying Expert Witness for City of Marana

Jeffrey J. McGarvey

Project Advisor

Areas of Expertise

Rate & Cost-of-Service
Studies

Rate Design

Dynamic Computer
Modeling

Impact/Connection Fee
Studies

Revenue Bonds

Capital & Financial
Planning

Acquisitions & Mergers

Utility Valuations

Long Term Strategic
Planning

Presentations

"Wall Street's Perception of
North Carolina Water and
Sewer Utilities: Positioning for
Success," presented at the
North Carolina AWWA-WEA
Annual Conference

"Renewal and Replacement
Costs: How Much is Enough?"
presented at the AWWA/WEI
Utility Management
Conference

32 Years of Experience

Jeff McGarvey is a Managing Principal and Vice President in Willdan's Financial Consulting Services group and resides in the firm's Orlando, Florida office. For more than 32 years, he has provided professional consulting services to municipal water, wastewater, refuse, and electric utilities throughout the country. He possesses a broad range of experience, including special expertise in complex alternatives analyses; utility rate analyses; utility valuations and acquisitions; regionalization and consolidation studies; debt issuance support; capital financing analyses; strategic planning; rate and regulatory assistance; and instituting financial mechanisms to provide for the sufficient recovery of operating and capital costs.

Rate & Cost-of-Service Studies

Mr. McGarvey possesses extensive experience specific to utility rate and cost-of-service analyses, having *conducted over 200 studies throughout the country*. Such experience generally relates to performing budget analyses, customer and usage analyses, development of revenue requirements, cost-of-service allocations and sensitivity analyses related to the implementation of rate structures designed to promote desired usage characteristics. It should also be noted that Mr. McGarvey has *prosecuted over 40 impact/capacity fee studies* throughout the course of his career.

Revenue Bonds, Feasibility Analyses and Capital Funding

Mr. McGarvey has been involved in the preparation of capital financing plans and financial feasibility studies associated with the *issuance of over \$1 billion in municipal revenue bonds*. The funding proceeds have been utilized for such purposes as utility acquisitions, expansion of facilities and various other capital improvement needs.

In addition, he has developed capital funding strategies utilizing various combinations of bonds, bank loans, government assistance loans (i.e., State Revolving Funds) and grants. He has also made numerous presentations on behalf of clients to various bond insurers and rating agencies (Moody's, Standard & Poor's, and Fitch).

Business and Strategic Planning

Mr. McGarvey has experience developing complex financial and economic evaluation models for utility systems located throughout the country. Such experience generally relates to the development of business and strategic plans as well as performing structured alternatives analyses and sensitivity analyses related to the evaluation and implementation of system modifications such as service and operational changes, as well as planning for customer growth and capital expenditures

Alexander Hulevich
Project Analyst

Education

Bachelor of Science,
Business Administration,
University of Mountain
College

Areas of Expertise

Rate Studies
Rate Design
Dynamic Computer
Modeling
Cost of Service Studies
Alternatives Analysis
Advanced Excel
Cost Allocation Studies
User Fee Studies
Expertise in Banking Rules
and Regulations

Other Languages

Spanish; Russian

10 Years' Experience

Alex Hulevich is a Financial and Budget Analyst with over 10 years of experience. His consulting experience includes a variety of projects associated with public water, wastewater, stormwater, and sanitation utility systems throughout the United States.

Mr. Hulevich has been involved with many different facets of project analysis including collecting, interpreting, and analyzing a variety of raw data received from clients (budgets, billing data, historical usage, current and future debt, CIP plans, etc.) for creation of water/wastewater rate models, user fees studies, and cost allocation plans. He has experience evaluating utility rates and charges, and forecasting future revenue requirements, cost of service, population growth, and consumption patterns in order to develop rate recommendations.

In addition, Mr. Hulevich has an impressive knowledge of preparing reports, presentations, and making recommendations for internal and external stakeholders, including utility management, elected officials, and the public.

Relevant Project Experience

- Missouri City, TX
- Temple, TX
- Mesquite, TX
- Heath, TX
- Bellaire, TX
- Sunnyvale, TX
- Chino Valley, AZ
- Alvarado, TX
- Van Alstyne, TX
- Rockport, TX

City of Bellaire, TX – Water, Wastewater, Stormwater and Sanitation Rate Study

Mr. Hulevich prepared a water, wastewater, stormwater, and sanitation rate analysis and report for the City of Bellaire in 2024. The study was used by the City to establish a new stormwater utility and adopt new FY2025 rates for its water, wastewater and sanitation utilities.

City of Van Alstyne, TX – Water and Wastewater Rate Study

Mr. Hulevich prepared a water and wastewater rate analysis and a 5-year rate plate for the City of Van Alstyne, TX that is facing the challenges associated with rapid growth and the need to update its aging infrastructure.

City of Rockport, TX – Water and Wastewater Rate Study and Non-Rate User Fee Analysis

Mr. Hulevich prepared a comprehensive water and wastewater rate study and financial plan for the City of Rockport, TX in 2024 with an emphasis on the outside city rates. Additionally, Mr. Hulevich assisted in water utility user fee analysis for the City.

City of Mesquite, TX – Water and Wastewater Rate Study and Cost Allocation Plan Analysis

Mr. Hulevich prepared a water and wastewater rate analysis and report for the City of Mesquite in 2023. The report included recommended rates and a financial plan for the next 10 years. Also, Mr. Hulevich, assisted in preparing a cost allocation plan analysis for the City.

City of Temple, TX – User Fee Study

Mr. Hulevich prepared a comprehensive user fee study in fiscal year 2023. The cost to provide individual services for each department was developed using fully burdened hourly rates. The study included calculations of services being provided and any additional services needed by the City. Also, Mr. Hulevich, assisted in preparing a report of the findings.

Town of Chino Valley, AZ – User Fee Study

Mr. Hulevich prepared a comprehensive user fee study in fiscal year 2023 for the Town of Chino Valley. The cost to provide individual services for each department was developed using fully burdened hourly rates. The study included calculations of services being provided and any additional services needed by the City. In Addition, Mr. Hulevich, assisted in preparing a report of the findings.

Methodology and Approach

Description of Study Understanding

Willdan understands that the City of San Juan ("City") seeks a comprehensive water, sewer and debt capacity study that will assist the City in modifying rates, if needed, *to ensure financial sufficiency to meet current and future expenses including operation, maintenance, capital improvement projects, and debt service*. The overall objective is to establish user rates and charges that are sufficient to meet the City's growing system revenue requirements including capital improvement needs, debt service coverage, operating costs (*including cost of purchased water and treating wastewater*) and non-operating costs, and minimum operating reserves (typically 60 - 90 days).

The project team will also work with the City to establish rates around a broader set of policy goals and objectives, including but not limited to developing options for revenue recovery for each utility system, which may include rate structure modification to better align the cost of service with the rates charged for those services. Ultimately, these goals need to align with the guiding principles of:

- *Ensuring operating revenues are sufficient to meet current and future expenses including operation, maintenance, capital improvement projects, and debt service.*
- *Achieving equitable rates within the classes.*
- *Providing cost of service analysis and developing rate alternatives.*
- *Identifying a path for water and wastewater to be self-sustaining.*

This policy alignment may also include enhancement of financial/rate stability, *conservation, consumption characteristics of the utility's customer classes*, minimizing customer impacts, *deviation from cost-of-service principles and fairness and equity implications*, and *customer understanding* as well as maintaining competitive rates with neighboring communities and utilities.

To accomplish these overall goals and objectives for the rate and debt capacity study, our team's approach will utilize the "generally accepted" cash basis rate setting methodology as delineated in AWWA's Manual M1 for the water utility and WEF MOP No. 27 for the wastewater utility and with solid waste industry standards such as the American Public Works Association (APWA).

The rate and debt capacity study project team will collect standard inputs such as account growth projections, historical and forecast adjusted water and wastewater and consumption (billing units), number and sizes of containers, outstanding debt service schedules, the current CIP, three (3) years of account/usage/revenue data from City's billing system, and current budget information to develop the forecast of future costs. The information developed during this rate and debt capacity study will allow the City to choose alternative capital plans that will minimize the impact on all classes of ratepayers, while still allowing it to meet the increasing expense demands of operations and environmental standards and regulations.

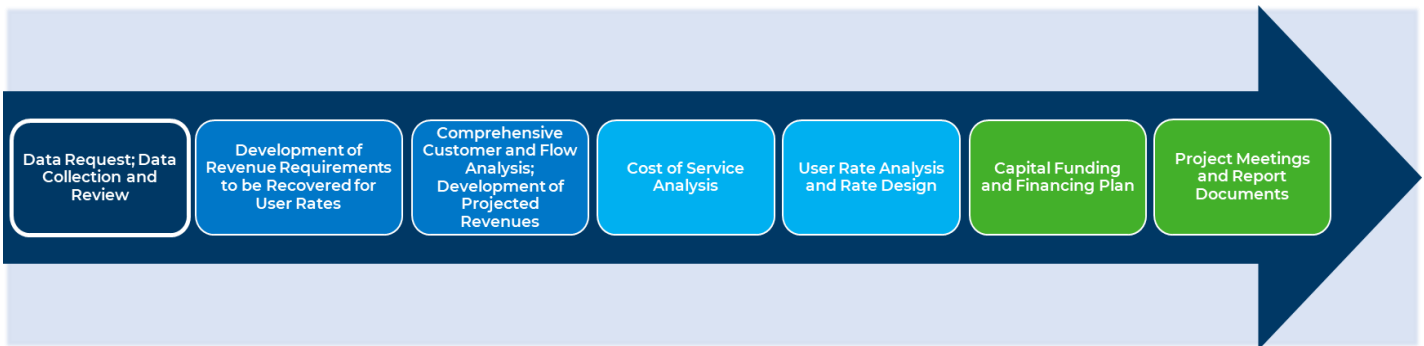
Upon finalization of the inputs outlined above, the project team will **update its previously prepared comprehensive 10-year forecast water and wastewater rate model**. It is developed in Microsoft Excel based workbooks that will present alternative long-term water and wastewater rate plans sufficient to fund operating and non-operating expenditures for *at least two years and a rate schedule (i.e. comparative rates by customer class) that will maintain its integrity for at least five years*. **The model has previously been used for the City of San Juan and will only require updating, not a comprehensive new design, and therefore the update can be completed quickly, efficiently and at less effort than other firms which would have to design a model from scratch.**

Our deliverables include written reports that are understandable to those who are not ratemaking or financial professionals.

Our rate model allows the City to test a variety of "what-if" alternatives. This is especially useful in testing the affordability of the *capital improvement program by allowing the user to turn new projects "on or off" in the model, determine funds needed to support the CIP*, change the costing with updated information, delay their funding, or look at cash vs. debt vs. fee-funding alternatives and their impact on affordability.

Work Plan

Below summarizes the standard approach commonly employed by Willdan to develop utility rates. Each subtask of the steps is typically performed in tandem.



Water and Wastewater Rate and Debt Capacity Study Scope of Work

The remainder of this section presents our approach to performing the major tasks required to successfully conduct a water and wastewater rate and debt capacity study engagement, in accordance with City's RFQ No.: 25-010-06-20. Assuming timely responses to information/data requests by the City, *we will complete the study work plan in 26 weeks (180 days)*. The minimum period required to accomplish each work plan task is listed in the task header. Many of these tasks will be performed in tandem so the sum of each task's level of effort will not necessarily match the 26-week completion commitment.

Task I: Project Kick-off, Data Acquisition and Assessment

4 Weeks

*The project team will meet with appropriate City staff at the outset of this project. The purpose of this meeting will be to familiarize ourselves with current practices and procedures, identify the study goals and objectives, review requirements for completing each task, establish responsibilities and lines of communication, and refine the work plan and schedule. **Given our familiarity with the City from our previous studies, we know in advance which billing system and financial documents the City possesses which we will require for our analysis.***

NOTE: Gathering this data and attending the kick-off meeting and work sessions with the project team represents the bulk of the time required by City staff.

To assist the project team in *analyzing the existing Utility fund financial condition and the planned infrastructure improvements as well as the capacity of the utility to fund the infrastructure with debt*, prior to this meeting we will provide a preliminary data request list to initiate data collection and organization. *The initial data that will be required by the project team for the rate and debt capacity study* will include, but not be limited to, the following: current fiscal year utility budget; most recent audited financial statements; water and wastewater billing data/reports identified by customer class by month from the previous three to four years to present; the volumes of treated water purchased and wastewater treated in the previous four years; *debt schedules for all outstanding water and wastewater related debt*; *copy of the most recent Capital Improvement Plans (planned infrastructure improvements) approved by City*; *current City working capital requirements*; *debt service coverage requirements*; wholesale contracts; and historical and current rate schedules.

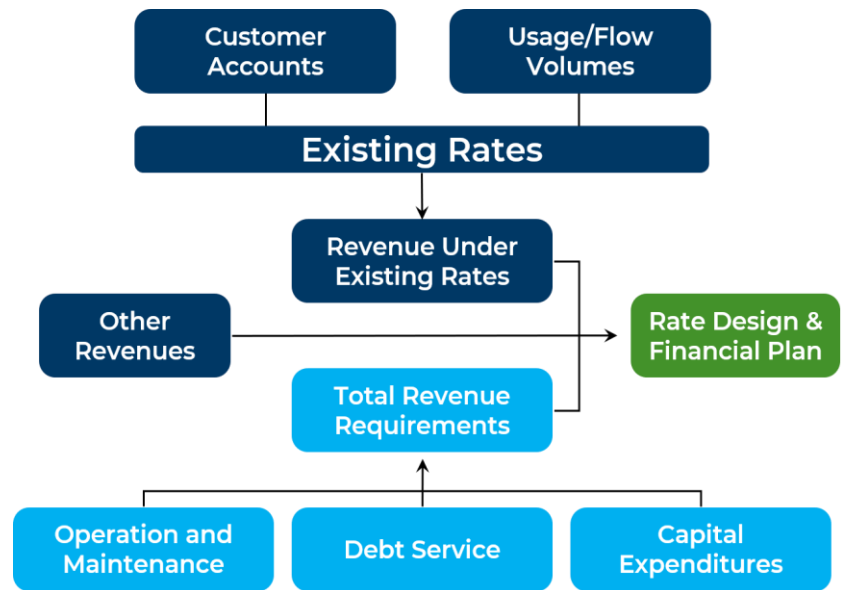
Task II: Demographic Analysis and Benchmarking

3 Weeks

The project team will prepare a comprehensive demographic analysis of ratepayers as a pretext to the development of water and wastewater rate plans. The project team will develop current data on the number of households; median household income; average water and wastewater monthly bills, both in total and as a percentage of household income; and benchmark all comparable customer classifications of the City's current and proposed rates to monthly rates and fees charged by other utilities in neighboring and similar communities for a comparison survey. The results of the survey will include comments as to whether the developed rates will materially impact the City's ability to attract and retain retail and commercial businesses.

Task III: Determine Revenue Requirements**6 Weeks**

In this task, the project team will analyze the City's existing water and wastewater fund financial condition, *the planned infrastructure improvements and current debt capacity needed to fund the infrastructure improvements*. Based on this analysis the project team will determine overall revenue requirements for the current year and for a ten-year forecast period. The revenue requirements consist of the total cost to provide this service, including operation and maintenance (O&M) costs (including cost of water purchased and wastewater treated), transfers to the General Fund, *debt service payment and coverage requirements on existing and any proposed new debt (debt service coverage requirements will be used to measure debt capacity)*, direct capital outlays financed by rates, and other financial needs. We will consider the levels of cash reserve funding required (typically 60 – 90 days) for the utility systems operation in our determination of the revenue requirements.



The development of a reasonable set of assumptions concerning future operating and non-operating costs and capital spending for repairs and replacements and system expansion is one of the most critical elements of the revenue requirement.

The project team will discuss and analyze all components of these categories with City staff, including: *the expected amount of CIP, the impact of peak demands on the cost of providing service*, inflation estimates, anticipated changes to operating costs, *various funding alternatives if CIP funding requirements exceed debt capacity*, expected reserve and working capital requirements, and *debt coverage requirements*. *The underlying assumptions used to project the water and wastewater financials will be clearly stated in all rate study presentations and the rate study report.*

Finally, the cost of service/revenue requirements that allocate costs to appropriate users will be calculated based on the Cash Basis for City's retail customers, in accordance with industry standards outlined in AWWA M-1 and WEF MOP No. 7 publications. For wholesale customers and retail customers outside city limits, the project team may need to calculate revenue requirement based on the "Utility Basis" to provide City with a fair return on utility assets in accordance with AWWA M-1 and other industry guidelines. We will advise City on the most appropriate and defensible method to determine the revenue requirement for these customers.

Task IV: Determine User Characteristics and Customer Classes**6 Weeks**

A fundamental principle of cost-of-service ratemaking for water and solid wastewater utilities is for *costs to be allocated to user groups based on the peak demands each group places on the system*. In the case of water service, demands typically are measured in terms of base and peak demands that are critical to the sizing and operation of system facilities. For sewer service, demands usually are measured in terms of customer flows and sewage strength characteristics that determine sewer treatment plant influent loadings. These demands are collectively referred to as "user characteristics."

Using information gathered from the City's billing data, the City's master planning consultant, or other internal sources, this task involves determining the appropriate groupings of customers so that customers with similar user characteristics populate the same customer class.

In this task, we will evaluate the various rate classes of residential, commercial and industrial customers and their demands for services as an initial step in determining the essential cost of providing service to each class. For cost-allocation purposes, analysis of historic demand and consumption characteristics with the purpose of properly classifying and segregating the costs associated with the different functions and customers of the City's utility system. Customers are then grouped into different classes based on differences in their user characteristics.

The development of information for grouping customers and allocating costs to specific customer groups is an essential step in the ratemaking process, to ensure that costs will be recovered from these groups in direct proportion to their use of the system.

As with all our studies, AWWA Manual M-1 will provide the framework for our allocation methodology.

The determination of customer user characteristics as noted above will include a careful review of the City's sales volume histories and forecasts. The volume data must be considered as a whole and separately for each defined customer class. Methodologies for projecting water and wastewater revenues will be assessed to confirm appropriate accounting for expected growth, water losses, inflow and infiltration, and normal weather conditions. The project team will analyze historical demand and consumption characteristics.

Historical water sales data used for forecasting purposes will be reconciled against water supply/production records; historical sewer flow and loadings data will be used to determine flows and loadings for the system and individual customer classes.

The utility system accounts and respective usage will be forecast for a 5 to 10-year planning period. *Such projections will be developed by considering historical growth trends, peak demands, climatological patterns, local economic conditions, the potential for adding/losing major utility customers, changes in customer class usage patterns over time, and experienced judgment.* The forecast usage projections will be based on the projected number of utility accounts and a usage per account analysis to differentiate the historical effects of account growth and increased (decreased) average usage by customer class. The project team will finalize 10-year projections of sales volumes that will then be used to calculate projected revenues under current rates for the 10-year rate forecast period.

Task V: Cost Functionalization, Classification and Allocation

3 Weeks

In this task the project team will calculate the cost of water transmission/distribution, water supply and treatment, wastewater collection and wastewater treatment based on the information gathered in previous tasks. As discussed in Task III, these costs include such categories as O&M (personnel, chemicals, contractual obligations, engineering, administrative, equipment maintenance, vehicles, customer service, materials, etc.), reserves, *debt service*, and capital outlays funded by rates (assuming that the Cash Basis is utilized). *These costs will then be assigned to individual customer classes through a three-step apportionment process designed to prevent deviation from cost-of-service principles and enhance fairness and equity.*

These steps are referred to as "functionalization," "classification," and "allocation." Functionalization involves the categorization of utility costs according to the utility functions these costs are incurred to perform. Typical water utility functions include treatment, pumping, storage, distribution, and customer billing; wastewater functions include treatment, collection, disposal, and customer billing. Classification is the apportionment of functionalized utility costs according to the types (or classes) of demands served by the utility and is primarily applicable to the water utility. For water utilities, AWWA M-1 ratemaking methodologies prescribe classification of costs according to base, maximum-day, maximum-hour, and customer demands.

Water Environment Federation (WEF) and U.S. Environmental Protection Agency (EPA) methods classify sewer costs according to flow, biochemical oxygen demand (BOD) loadings, and total suspended solids (TSS) loadings. Allocation is the assignment of classified utility costs to individual customer classes. Costs are allocated proportionately to customer classes based on their contributions to total utility system demands.

Under typical circumstances, standard industry ratemaking principles and practices as outlined in AWWA and WEF ratemaking manuals and guidelines serve as the foundation for cost allocations to customer classes. These industry manuals and guidelines are not prescriptive and recognize the need to afford utility decision makers the flexibility to reflect local circumstances.

Task VI: Alternative Rate Designs for Current Year and Ten-year Forecast

5 Weeks

After allocating costs to customer classes, a plan will be developed for evaluating rate design options that will recover allocated costs, including O&M, debt service, and reserve requirements. Because several rate alternatives will be examined in this study, the project team proposes that for ease of evaluation the rate design process be segregated into a two-step process.

In this task, the current year and 5 to 10-year forecast rate design alternatives will be presented separately. This will enable City staff to evaluate both their immediate short-term needs and their longer-term needs under each alternative.

The rate model spreadsheet will be developed in a dynamic manner such that Willdan and City staff will be able to analyze various “What If” scenarios detailing the financial impacts under each scenario. The rate structure alternatives will be developed to recover the projected revenues needed to fund utility operations, recognizing equitable cost recovery by customer class, establishing reasonable recovery of costs from existing and new utility customers, and complying with applicable regulations and policies.

Importantly, we will ensure that any proposed rate design can be easily incorporated into City’s billing system.

We intend to consult closely with City officials to develop a consensus on the most appropriate alternative rate designs for each of the alternatives. In this task we also intend to accomplish the following objectives:

- *Examine options to modify existing rate structures for more stable revenue recovery and ease of administration, such as increasing fixed monthly base charges and/or implementing base charges by meter size.*
- Determine whether any rate classes are subsidizing the others, and the degree to which any subsidy is equitable by identifying the relative costs of servicing different classes of customers.
- *We will evaluate the best ways to charge customer classes for their cost of service and the financial impact that each option has on each class. The impacts these charges have on customers will be expressed in terms of an average monthly bill and calculated on historical consumption patterns.*
- *Investigate alternative rates designed to reduce peak (hour and day) demands on the utility systems and encourage conservation will be evaluated.*
- *Estimate the projected impact of the proposed rate structures will have on future consumption patterns, and the resulting impact on the cost of providing service.*
- *Develop strategies for implementing significant rate changes in order to reduce the adverse impact on certain customer classes, such as a proposed “transition period” (phase-in) into the new rates.*
- Compare the recommended rates to the City’s historical rate structure where *the impacts the recommended rate has on customers will be expressed in terms of an average monthly bill and calculated on historical consumption patterns.*
- *Any proposed rate alternative will be compatible with the existing utility billing computer system and software.*
- *Proposed rates will be easily described to customers and laypersons.*

The project team will prepare the cost of water and wastewater utility service per household based on the new rate design (also known as a “bill impact analysis” which is commonly performed in our rate studies). If desired, we will moderate an internal review/discussion with management to align the cost of service and alternative rate structures with the City goals regarding such topics as operational objectives, long term objectives, rate impacts on users, alternative rate designs, elasticity and use of rate studies in implementing rate changes.

Specific attention will be given to the sensitivity of system revenues to possible changes in customer usage prompted by a more aggressive affordability and/or conservation rate structure. Rate designs will be subjected to revenue generation tests and reviewed for administrative efficiency and ease of explanation to the customers and other lay people.

In instances where cost-of-service-based changes in revenue responsibility will result in significant rate increases for any one customer class, the merits of implementing rate changes over a multi-year period will be discussed with City staff. If appropriate, multi-year-rate transition plans will be developed that meet, to the extent possible, expressed criteria for rate change acceptance. The project team will meet with City officials prior to unveiling any recommendations to City Commission or the public to go over the initial alternatives and to make any revisions as deemed appropriate by City staff.

Task VII: Evaluate the Cost of Water Conservation Incentive Program

4 Weeks

In this task, the project team will prepare an evaluation of the cost to implement a Water Conservation Incentive program. This program will be integrated and work concurrently with the City’s existing Water Conservation Plan. The project team will develop a list of potential customer water conservation incentives along with a) the cost of implementation, b) the potential savings to customers, c) the impacts of the incentives on utility revenue and d) the cost to the water utility if the incentive is implemented.

Final analysis will be a list of viable customer incentive options, the overall cost and revenue impacts to the utility and *recommendations/ranking for at least 3 of the most effective and least cost options along with estimated implementation timelines*. Potential incentives will include, but not be limited to the following:

- Showerhead, Aerator and Toilet Flapper Retrofit
- Residential Toilet Replacement Programs
- Landscape Irrigation Conservation and Incentives
- Residential Clothes Washer Incentives
- Water Survey For Single Family and Multi Family Customers
- Rainwater Harvesting
- Greywater Reuse
- Conservation Programs for Industrial, Commercial and Institutional Accounts

Task VIII: Determine Appropriate Non-Rate/Ancillary Fees and Charges

4 Weeks

In this task, *the project team will include a separate evaluation of non-fee revenues including residential and commercial water service taps, meter cost, meter installation cost, fire system taps, rates for sewer service taps, rates for maintenance of service lines, and maintaining back flow preventers and grease traps*. This is a different analysis from a rate forecast, as it involves a review of the individual cost of each connection – personnel, materials, vehicles, and administration. The goal is to determine the cost the City incurs in providing each of these non-rate services, and to set the fee accordingly. This analysis will be conducted in parallel with the Cost Functionalization/Classification and Allocation as set forth in the rate study, and it will result in a schedule of cost-based non-rate fees and charges.

Task IX: Prepare & Present Draft and Final Reports and Rate Models

4 Weeks

The project team will prepare a concise draft and final rate and debt capacity study report. The report will provide detailed information on the determination of revenue requirements, document allocations of revenue requirements to functional parameters and customer classes, and alternative rate recommendations for the City's water and wastewater utilities. *Information on the impact of recommended rate changes to customers' typical monthly bills will be provided. The steps in the rate calculations will be described clearly so that there is a full understanding of the technical steps and assumptions contained in the determination of the rates.*

The draft report will be presented to the City's senior management staff, and the project team will address questions and/or concerns and incorporate management comments into final recommendations. *The final report will include an executive summary that succinctly documents the rate study's findings and recommendations*. A bound copy of the study and with final recommendations will be presented to City.

The final deliverable will include electronic copies of both the water and wastewater rate model in Microsoft Excel and training of City personnel to update both the models. The models will be designed to integrate the revenue produced by rates with the water and wastewater fund financial plans. These models will have specific input areas for City staff to update consumption/flow patterns, accounts per container size and meter classifications, O&M, debt service and capital (CIP) costs and other financial data needed to develop an updated rate and financial plan forecast. Most importantly, City's water and wastewater rate model will include interactive executive dashboards. This will be a comprehensive financial tool to allow planning and evaluation of variable inputs and assumptions. *This dashboard includes pre-defined graphical presentations of consumption, revenue and expense data as well as other vital financial indicators to determine the utility's ability to maintain financial integrity and monitor debt capacity (debt service coverage) as input assumptions change.*

Upon request, the project team will facilitate a rate model workshop with City of San Juan staff and run scenarios for comparison and analysis of impacts to user classes.

Task X: City Commission and Public Meetings**3 Weeks**

With the approval of staff, we will be prepared to conduct the following formal meetings with City: an initial staff meeting to review project goals and data requirements (with additional meetings with staff as necessary during the analysis segment of this project), a formal meeting with senior management to present and review preliminary findings and recommendations and to make adjustments as necessary based on staff input, *a workshop with City Commission to present and review initial findings and recommendations regarding items "A", "B", and "C" of the Scope of Work in the City's RFQ No.: 25-010-06-20, and a final meeting and public hearing with City Commission to approve the chosen rate plan.*

Task XI: Project Management and Quality Control**16 Weeks**

At Willdan, we utilize a Project Management Process/Approach that ensures projects are completed on time, within budget and most importantly yield results that match our clients' expectations. We will document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and model. Following key stakeholder discussions, we will schedule a call to summarize findings and direction with Utility staff, to make certain that we are in agreement with stated objectives, and that feedback is incorporated as appropriate.

Project Management Approach

Project Management				
				
Define the Project	Plan the Project	Manage the Project	Review the Project	Communicate the Project
- Identify the project scope, set objectives, list potential constraints, document assumptions. - Define a course of action and develop an effective communication plan. - Provide a forum for applying the team's collective expertise to solving difficult analytical issues that arise in complex projects.	- Collaborate with the project team and client staff and agree upon timeline to meet the estimated project timeline. - Assign workload functions to appropriately qualified staff to ensure milestones are met, on time. - Pre-schedule quality control meetings with project team to maintain the progressive motion of the project.	- Manage the execution of the project. - Direct existing and upcoming project tasks. - Control and monitor work in progress. - Provide feedback to client and project team. - Identify and resolve deviances from project timeline.	- Review all work product and deliverables. - Utilize structured quality assurance process involving up to three levels of review at the peer level, project manager level. - Procure executive officer level review.	- Communicate with the client regarding work status and progress. - Ensure client is in receipt of regular status updates. - Schedule regular conference calls to touch base. - Inform client of roadblocks, work outside of projected scope.

Quality Assurance / Quality Control Process

Our quality control program is incorporated as a required element of Willdan's day-to-day activities. There are three levels of reviews incorporated for our deliverables:

- 1) Peer review
- 2) Project Manager review; and
- 3) Final quality assurance manager review.

Peer reviews involve one analyst reviewing the work of another, while project manager reviews are conducted prior to delivery to the quality assurance manager. The quality assurance manager then performs a final review. This ensures that our final product has been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes.

The primary mission of our quality control plan is to provide staff with technical and managerial expertise to plan, organize, implement, and control overall quality effort, thereby ensuring the completion of a quality project within the time and budget established.



Quality Assurance Goals	
Goal	Task
Quality Assurance / Control Process	- Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed; - Emphasize quality in every phase of work; - Ensure efficient use of resources; - Establish a consistent and uniform approach to the services performed; and - Implement appropriate quality control measures for each work task of the project.
Quality Control Plan	- Contract deliverables; - Specific quality control procedures; - Special quality control emphasis; - Budget and manpower requirements; - Overall project schedule and budget; and - Project documentation requirements;

Current Workload

Regrettably, because Willdan is a private company in an industry with significant competition, we are unable to provide information on current client engagements and employee/team member workload. However, by copy of this proposal, we assure the City of San Juan that the staff designated for this engagement have sufficient existing debt capacity to complete this engagement within the timeframe outlined both in this proposal and the City's RFP. We note that we have a proven track record of completing engagements on time and on budget, and we encourage the City to contact our references as listed in this proposal for confirmation of our reliability. We take all of our commitments with the upmost seriousness.

Interactive, “What-If” Model Capability

Our Excel-based rate model has the elements necessary to conduct a full financial planning analysis and rate study. The comprehensive analysis model allows us to develop various scenarios regarding such things as:

- Capital financing alternatives;
- Debt service coverage tests; and
- Liquidity tests (cash reserves) and modeling of rate structure alternatives to test “what-if” scenarios, to address such questions that may arise during project team meetings with staff or elected officials. This process helps to gain consensus regarding the rate and financial plan which best addresses your needs.



Features of the analysis model include the ability to incorporate line-item data and assumptions that are then summarized in a graphic dashboard to show key financial indicators for the utility system. The sample dashboard, shown below, illustrates how we can summarize data, assumptions, and calculations into an easy-to-understand graphical interface that updates with each alternative scenario evaluated.

To summarize, rate model development is an integral part of the Willdan consulting process, and one in which staff and other stakeholders play a collaborative role.

At the completion of the analysis, the model will be customized to generate the financial metrics and targets desired by the District. Also, an Excel version of the model will be provided to the District for use by staff. The ultimate goal is to develop an effective, efficient, and interactive working relationship that will carry forward into future rate-setting processes.

Subsequent to careful development and validation of the baseline forecast, a series of alternative forecasts will be prepared illustrating various results in the following general categories:

- **What if things turn out differently?** These alternatives will demonstrate the sensitivity of the forecast to the significant assumptions used. This results in a sound understanding of areas where a conservative forecast approach is warranted;
- **What happens when we try this?** This series of alternatives focuses on different financial management approaches. For example, the use of different financing techniques such as capitalized interest, interim short-term financing, and capital appreciation bonds may be explored;
- **What can we do to make it better?** This approach to forecasting identifies the factors that may be causing significant rate increases in a given year and explores alternatives. For example, if a large capital project in a single year is the culprit, we would work with staff and consulting engineers to determine whether this project could be phased or delayed; and
- **How will any adjustments affect our customers?** In examining rate structure alternatives, we will demonstrate and discuss how users in various categories or classifications will be impacted. Our team will use our rate design model to explore the impact of various rate structures on bills for each customer class over the relevant consumption range.

Sample Contract Terms

As your partner on this project, Willdan will :

- Sign the City's Standard Form of Agreement as presented within the City's RFP;
- Develop a thorough understanding of your specific needs and objectives;
- Build customized tools and solutions to best meet the City's needs and enable you to easily track outcomes;
- Develop a multi-year plan to fund utility operations, capital improvement costs, and debt obligations;
- Develop an effective public involvement program that ensures effective and transparent communication of the study results and the implications of the proposed revenue requirement and rates to City staff, Council members, key stakeholders and, ultimately, to those that will be subject to new rates.

Disclosure of Litigation

In the normal course of our Willdan Group Inc's operation, while we have pending liability litigation, they do not materially affect our operation or cause any material impact to us financially. Willdan Financial Services has no pending litigation.

Project Disclaimer

Willdan is a registered municipal advisory firm with the U.S. Securities and Exchange Commission ("SEC"), as such we are providing the following disclaimer representing that we are not acting as a Municipal Advisor (as defined by the SEC), to the City of San Juan, in any capacity as it relates to the project proposed in this Request for Qualifications (RFQ No. 25-010-06-20).

- (i) The City of San Juan uses the services of one or more municipal advisors registered with the SEC to advise it in connection with municipal financial products and the issuance of municipal securities

The City uses, or may use, the services of one or more municipal advisors registered with the U.S. Securities and Exchange Commission ("SEC") to advise it in connection with municipal financial products and the issuance of municipal securities;

- (ii) The City is not looking to Willdan to provide, and City shall not otherwise request or require Willdan to provide, any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);

- (iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations adopted thereunder;

- (iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the City with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the City, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the City, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and

- (v) Notwithstanding all of the foregoing, the City recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the City will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the City is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.

Previous Projects & References

City of San Juan, TX

Water and Wastewater Rate Study | 2019, 2004

Willdan was selected in 2019 to manage and complete a comprehensive review of the City of San Juan’s water and wastewater rates. The City’s rates were among the lowest in the Rio Grande Valley, and the City had gone several years between rate adjustments. Further, the City required over \$58 million in long-term capital projects to overhaul its aging facility. The project team presented a comprehensive rate plan to the City Commission in two separate meetings. The plan included recommendations for a series of annual rate adjustments to ensure that all expenses, including forecast capital improvements, would be sufficiently funded. The project was completed in late 2019.

In 2004 Willdan’s predecessor firm, Economists.com, was selected to prepare a similar rate study and long-term financial plan. Many of the same challenges, including the need to invest in capital improvements, fueled the need for a new water and wastewater rate plan. The project team’s plan was adopted by the City Council in 2004.

Client Contact: Mr. David Salinas, Former Utilities Director
South Texas Regional Manager, US Water Utility Group
Tel #: (956) 588-1191

Harlingen Water Works TX

Water and Wastewater Rate Study | 2023-2024

HWWS engaged Willdan in 2023 to conduct a comprehensive water and wastewater study and long-term financial plan. The city is facing the need to invest as much as \$260 million in capital improvements in the next decade to maintain its existing system and fund new growth. The utility had not adjusted rates for over a decade and its operating revenues are now struggling to cover costs. Further, staff and the City Commission requested a comprehensive review of multifamily rates, monthly charges and the potential implementation of senior citizen rates. A multiyear comprehensive rate plan was implemented in Spring of 2024.

Willdan continues to provide support services to HWWS. Our most recent update and analysis was completed in early 2025.

Client Contact: Mr. Ron de la Garza, Financial Director
121 E. Harrison, Harlingen TX 78551
Tel #: (956) 430-6155 | Email: rdelagarza@hwws.com

City of Brownsville PUB, TX

Water and Wastewater Rate Study | 2020-2024

Brownsville PUB originally engaged Willdan in 2020 to conduct a comprehensive water and wastewater study and long-term financial plan. The city is experiencing rapid growth and water supplies in the Rio Grande Valley have become increasingly strained. Further, the PUB has identified over \$100 million in capital improvement needs in the coming decades. The PUB is seeking to have a new long-term rate plan developed that will ensure that each utility is covering their cost of service and none is being subsidized. A number of different rate plans involving the funding of both the water wastewater operation and the surrounding Resaca maintenance has been evaluated by the project team, PUB staff and the Board of Directors. Because of the COVID-19 pandemic the plan implementation was repeatedly delayed. The PUB Board and the City Council adopted the proposed rate plan in 2022. It represented the first set of water and wastewater rate increases in several years.

In 2023 and 2024 the project team has prepared several additional analyses for PUB on an ongoing basis, including a review of PUB’s Resaca fees and an update of the adopted rate plan.

We continue to serve Brownsville PUB on an as-needed basis.

Client Contact: Ms. Monica Garza Cavazos, Financial Manager
1425 Robinhood Drive, Brownsville, TX 78521
Tel #: (956) 983-6172 | Email: mcavazos@brownsville-pub.com

City of Edinburg, TX

Water and Wastewater Rate Study | 2023 - 2024

The City of Edinburg engaged Willdan in 2023 to conduct a comprehensive water and wastewater study and long-term financial plan. The city is experiencing rapid growth, and is facing the need to invest as much as \$260 million in capital improvements in the next decade. Further, the City had gone several years without an adjustment to its water and wastewater rates, and therefore the rates had not been recovering operating expenses. The project team conducted a series of meetings with staff and the City Council, and developed a 5 year rate plan that would recover sufficient revenues to fund all operating and capital costs while minimizing the impact on ratepayers. The Council approved the proposed rate structure in January 2024. The City expressed satisfaction with the project team's efforts, and has engaged the project team to prepare a non-rate fee analysis, which is currently in progress.

Client Contact: Mr. Gerardo Carmona, Director of Utilities
415 West University Drive, Edinburg TX 78539
Tel #: (956) 388-8212 | Email: gcarmona@cityofedinburg.com

Laguna Madre Water District, TX

Water and Wastewater Rate Study | 1997 - present

Willdan and its predecessor firm, Economists.com, has been providing water and wastewater rate consulting services to LMWD since 1997. Willdan/Economists.com has completed over 20 separate engagements for LMWD in the past 25 years. Our services have resulted in millions of dollars of capital improvement financing and the ability for the District to properly finance the rapid growth on South Padre Island and the surrounding community. Our most recent rate study was completed in 2018. In this study we analyzed the District's need to issue new long-term debt to fund capital improvements, and evaluated the prospect of altering the methodology by which the District charged its hundreds of condominiums. We forecast revenues and expenses over a ten year period and recommended a long-term water and wastewater rate plan that was adopted by the District's Board of Directors. We are proud of our long-standing service to the District and the people of the Port Isabel – South Padre Island community.

Client Contact: Mr. Carlos Galvan, General Manager
105 Port Rd, Port Isabel TX 78578
Tel #: (956) 943-2626 | Email: cgalvan@lmwd.org

City of Donna, TX

Water Wastewater and Sanitation Rate Study | 2000 - 2021

Willdan and its predecessor firm, Economists.com, has been providing water, wastewater and solid waste rate consulting services to the City of Donna since 2000. Willdan/Economists.com has completed over 15 separate engagements for Donna during this period. Our most recent rate study was completed in 2021. Our services have resulted in new rate plans that have allowed the city's water, wastewater and solid waste funds to remain financially viable and to extend service to the colonias adjacent to the City. We have also provided rate plans that have funded the City's increasing landfill costs and have enabled the City to expand its water treatment plant. Our rate studies and financial plans have also assisted the City in obtaining needed grant funding to finance its CIP.

Client Contact: Mr. David Vasquez, former Donna Finance Director
Finance Director – City of McAllen
1300 Houston Avenue, McAllen TX 78501
Tel #: (956) 681-1060

Webb County, TX

Water and Wastewater Rate Consultant Services| 2004-2022

Willdan/Economists.com is very proud of its nearly two-decade record of service to Webb County. In 2004 Economists.com, and Mr. Dan V. Jackson, was originally engaged to complete a preliminary financial impact analysis of the County's proposed Highway 59 Colonias Water and Wastewater Improvements Project. The study analyzed household income, debt capacity and other financial factors to assess the overall affordability and financial impact of the project. It presented details on the size of the overall system, total accounts, and impact of the proposed project on the monthly user rates. This analysis was a critical component of the overall project assessment.

In 2011 we were engaged by Webb County to complete a water and wastewater rate study and long-term financial plan. Our analysis indicated that the water and wastewater fund was not self-sufficient, and in order to fund the County's proposed \$9 million capital improvement plan, a series of annual moderate rate adjustments would be required. We presented several alternative rate plans to the County Commission for their consideration and approval.

In 2014 we were engaged to complete a comprehensive water and wastewater rate study update. Many of the issues from the previous study remained – the County's revenues were not sufficient to fund all operating expenses, and the County was facing the need to fund millions of dollars of capital improvements. Once again, we presented a series of alternative rate structures and long-term plans for the County Commission to consider. Finally, in 2022 we completed a new comprehensive water and wastewater rate plan that resulted in a new multi-year rate plan adopted by the County Commission.

Our long record of service has given us a concise and detailed understanding of the challenges faced by the County in providing affordable water and wastewater service, as well as the challenges of implementing inevitable rate adjustments. We understand that any plan for adjustments is bound to face skepticism and outright opposition, but we remain convinced that a properly presented plan will acquire the approval from the County Commission.

Client Contact: Mr. Luis Perez-Garcia
1620 Santa Ursula 2nd Floor, Laredo, TX 78040
(956) 523-4055 | email: lperezgarcia@webbcountytx.gov

City of McKinney, TX

Water and Wastewater Cost of Service Rate Study; 2016, 2019, 2021 -- present

Willdan was engaged in 2016 and again in 2019 and very year since 2021 to conduct a comprehensive review of the water and wastewater rates and complete a full cost of service rate study for the City of McKinney. The City has been experiencing significant growth in recent years, which has added to the challenge of maintaining a superior quality water system. Further, the City has had to absorb significant cost increases from its regional provider, North Texas Municipal Water District (NTMWD). The rapidity of growth and the frequency of NTMWD rate changes have necessitated frequent updates to the rate plans. Each study has recommended a new rate plan for the current year that will enable the City to fund its capital improvements and rate increases from NTMWD. The City Council unanimously adopted the recommendations of each study.

Client Contact: Mr. Mark Holloway, Chief Financial Officer
221 N. Tennessee, McKinney, TX 75069
Tel #: (972) 547-7536 | Email: mholloway@mckinneytexas.org

City of Hewitt, TX

Water and Wastewater Cost of Service Rate and Annual Updates; 2010-2016, 2016, 2021

Economists.com and Willdan is proud of its 15 year record of service to the City of Hewitt. We were originally engaged in May 2009 to prepare a comprehensive water and wastewater rate study and long-term financial forecast for fiscal year 2009 and beyond. The objective was to develop a long-term rate plan that will enable the City to recover sufficient funds to meet all operating and capital expenses while minimizing the impact on ratepayers. The final report was completed in September 2009 with the acceptance of the rate plan by Council.

In 2010 we were engaged to prepare a stormwater utility financial analysis and rate forecast for the City. The rate plan included an aggressive capital improvement plan for addressing the accumulating stormwater issue in the City. The City Council unanimously approved the stormwater rate plan in 2010.

The City engaged Economists.com/Willdan on an annual basis between 2011 and 2015 to review the water and wastewater rate plan and recommend new annual rates. In 2015, the City adopted a multi-year rate plan based on our recommendations, with annual increases for the period 2016-2020.

In 2021 we prepared a new comprehensive water and wastewater rate study and long-term financial plan for the City. The City was experiencing both an increase in its account growth and the need to fund approximately \$20 million in new debt to fund capital improvements. The project team developed several alternative rate plans for the City to consider, each of which would recover sufficient revenues to fund its operations and capital improvements. In late 2021 the City Council adopted a new long-term rate plan based on our recommendations.

Client Contact: Mr. Bo Thomas, City Manager
200 Patriot Court, Hewitt, TX 76643
Tel #: (254) 666-6171; Email: bthomas@cityofhewitt.com

City of Burleson, TX

Water and Wastewater Rate Study; 2023

The City of Burleson engaged Willdan in January 2023 to conduct a comprehensive Water and Wastewater rate study and financial plan. The project was put on a temporary hold in mid-2023 and was resumed in 2024. During the course of the study, City staff, the project team, and the City Council evaluated numerous alternative rate scenarios based on different levels of CIP requirements. After significant analysis, review and deliberation, the Council opted to adopt a one-year rate plan and continue to review rates annually based on the updated bond issuance estimates. A training on the rate model for city Staff was conducted by the project team in January 2025.

Client Contact: Mr. Harlan Jefferson, Deputy City Manager
141 W Renfro Street, Burleson, TX 76028
Tel: (817) 426-9651 | Email: hjefferson@burlesontx.com

City Beeville, TX

Water and Wastewater Cost of Service Rate Study | 2016, 2022

The City of Beeville engaged Willdan to conduct a comprehensive rate study in 2016 and again in 2022. The City has been experiencing very little growth and has capital improvement needs exceeding \$11 million in the next decade. This meant that a long-term rate plan had to be developed that enabled the CIP to be funded while minimizing the impact on the City's existing ratepayers. A rate plan containing multiple years of adjustments was developed and passed on a unanimous vote by the City Council.

Client Contact: Ms. Kristine Horton, Finance Director
12 North Rowe, A, Beeville, TX
Tel #: (361) 358-4641 kristine.horton@beevilletx.org

City Seguin, TX

Water and Wastewater Cost of Service and Rate Design Study | 2015-Present

The City engaged Willdan /Economists.com to develop a comprehensive water and wastewater rate plan for the period FY 2015 through FY 2024. The City faces the need to spend tens of millions of dollars to repair and replace its aging water distribution and wastewater collection system. Further, the City is beginning to experience a significant level of growth in both its commercial and residential sectors.

The project team developed a multi-year water and wastewater rate plan that uniformly applied rate adjustments to all customer classes based on projected revenue requirements. The rate plan is intended to fully fund needed capital improvements over the next five years. Additionally, as part of this study, special rates were developed for a new large water customer based on that customer's cost of service. The rate model designed for the City included a specific cost of service for each class of water and wastewater customers in accordance with American Water Works Association (AWWA) and Water Environment Federation (WEF) ratemaking guidelines. City Council adopted the multi-year rate plan after a public hearing in open session in September 2015.

The project team has prepared annual updates of the rate plan every year since 2015. The project team also provided a more in-depth analysis of the City's options regarding the financing of long-term capital improvements to the water and wastewater system. These options included the development of an impact fee to ensure that new growth paid its share of the capital improvement costs.

Willdan has provided ongoing assistance to the City on a variety of matters relative to their water and wastewater utility for the past decade. This includes service to the supplier co-owned by the City, the Schertz-Seguin Local Government Corporation.

Client Contact: Mr. Ricardo Cortes, Assistant City Manager
205 N River Street, Seguin, TX 78155
Tel #: (830) 401-2401 | Email: rcortes@seguintexas.gov

City of Delray Beach, FL

Water, Wastewater & Reclaimed Water Rate Study

Willdan conducted a utility rate study, which included a comprehensive revenue requirement, cost-of-service analysis, and rate design for the water, wastewater and reclaimed water utility systems. The City of Delray Beach

had not adjusted rates in more than 10 years and was facing a capital program of more than \$150 million over the next 5 years. The study included a comprehensive review of existing rates, operating expenses, revenues and rate classes, development of cost-of-service by rate class, and proposed rate design changes with implementation over the next five-year period. The final project cost did not exceed the proposed cost and it was completed according to the requested client schedule. Principal Consultant Daryll Parker presented study results to management, staff and the City Commission. Willdan also recently updated the financial projections and overall financial plan for the Utility and is currently serving as Financial Feasibility Consultant for proposed revenue bond funding.

Client Contact: Hassan Hadjimiry, Utilities Director
100 NW First Avenue, Delray Beach, FL 33444
Tel #: (561) 243-7303 | Email: hadjimiryh@mydelraybeach.com

City of Oviedo, FL

Comprehensive Utility Rate and Financial Services

The City of Oviedo, located in Seminole County, has maintained steady growth over the years and has grown from a sleepy little citrus town to a thriving and vibrant community. The City is responsible for a regional utility that provides service to approximately 30,000 residents in Oviedo and Seminole County. Water, wastewater, reclaimed water and stormwater service is provided to residential, multi-family and commercial establishments. The Utilities Division also provides reuse (irrigation quality) water to the local golf course and residential and commercial reclaimed zones throughout the City.

Willdan was selected in 2013 to provide a variety of utility rate and financial consulting services. The City sought a consulting firm to provide services on an as-needed basis which included rates and charges; financial policies and practices; capital program activity and funding sources; and debt issuance support.

Mr. McGarvey, Ms. Hollis and Ms. Sturms have worked with the City on a variety of matters specific to their utility systems. They have also had the privilege of working on a broad range of other projects that include, among other things: development of assessment methodologies for street lighting and fire services; solid waste contractual issues; utility billing system audit; cost allocation analysis; non-ad valorem assessments; cost allocation plans and user fee studies; and fiscal impact analysis for a proposed new development. Ms. Hollis is recently served as project manager for the Water, Sewer, and Reclaimed Rate Study, Stormwater Rate Study, and Water and Sewer Impact Fee Study. Additionally, Willdan has teamed with MSW Consultants to provide Solid Waste consulting services to the City including contract review and rate and planning assistance.

Client Contact: Mr. Jerry Boop, Finance Director
400 Alexandria Boulevard, Oviedo, FL 32765
Tel #: (407) 971-5544 | Email: jboop@cityofoviedo.net

City of San Luis, AZ

Water, Wastewater and Solid Waste Rate and Capacity Fee Studies; 2003 – 2025

Willdan/Economists.com is proud of its 22 year relationship with the City of San Luis. We have prepared 6 water, wastewater and solid waste rate and impact fee studies for the City over the past 16 years. We have assisted the City in financing its remarkable growth by preparing and implementing water and wastewater impact fees and assisted the City in issuing debt to expand the wastewater treatment plan. We have addressed the City Council 15 times, in proceedings that occasionally became contentious due to opposition to adjusting the rate structure. We are proud of our long-standing continued service to the City and its ratepayers.

Client Contact: Ms. Jenny Torres, City Manager
1090 East Union Street, San Luis, Arizona 85349
Tel#: (928) 341-8584 | Email: jtorres@cityofsanluis.org

City of Somerton, AZ
Water, Wastewater and Solid Waste Rate and Capacity Fee Studies; 1998 – 2025

Willdan/Economists.com is proud of its 27-year relationship with the City of Somerton. We have prepared 18 water, wastewater and solid waste rate studies for the City over the past 2 decades. We have assisted the City in financing its remarkable growth by preparing and implementing water and wastewater impact fees and assisted the City in acquiring two outside water companies. We have addressed the City Council 25 times, and every time presented a set of recommendations to the City that have been adopted.

Our most recent engagement was a water, wastewater and solid waste rate study completed in early 2022; as with the others, a new multi-year rate plan was presented to Council and adopted. The City anticipates engaging us to prepare a new study in 2025.

Client Contact: Mr. Sam Palacios, Public Works Director
143 State Street, Somerton, AZ 85350
Tel#: (928) 722-7371 | Email: sampalacios@somertonaz.gov

Seminole County, FL
Water, Wastewater, and Reclaimed Water Rate Study and Solid Waste Rate Study

In 2024, Willdan Financial Services (Willdan) was selected by Seminole County (County) to serve as its Rate and Financial Consultant for the County’s Water, Wastewater, and Reclaimed Water Utility as well as Solid Waste Consultant for the County’s Landfill and Transfer Station operations. As part of this project, Willdan developed MS Excel based rate models for each system that incorporated the County’s budgeted fiscal requirements, capital improvement plans, vehicle replacement program, debt service payment requirements, existing restricted and unrestricted fund balances, etc. The model was used by Willdan to demonstrate rate impacts of the inclusion/exclusion of capital projects, a septic-to-sewer program, charging other municipalities within the County for processing recyclables, etc. Additionally, Willdan Team members from MSW Consultants, developed a 20-year vehicle replacement program for the County’s Solid Waste Operations and the Landfill and Transfer Station. Results were presented to the County staff and Board of County Commissioners (BOCC) during the FY 2025 Budget meetings. Willdan is currently in the process of updating the rate and financial projections for FY 2026 with results to be presented to the BOCC in June.

Client Contact: Ms. Carrie Grein, MAcc, CMA, Senior Financial Division Manager
500 W. Lake Mary Blvd, Sanford, FL 32773-7499
Tel #: (407) 665-2148 | Email: cgrein@seminolecountyfl.gov

Required Forms
Governed by Texas State Law Form

This RFQ shall be governed by and construed in all respects according to the laws of the State of Texas.

Firm's Name: Willdan Financial Services

Authorized Signature: 

Print Name: Dan Jackson

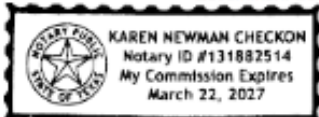
Date: 06/12/2025

Telephone: 972-378-6588

Fax: 888-326-6864

E-Mail: djackson@willdan.com

Conflict of Interest

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT (Instructions for completing and filing this form are provided on the next page.)		FORM CIS
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.		OFFICE USE ONLY
1 Name of Local Government Officer N/A	Date Received _____	
2 Office Held 		
3 Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code 		
4 Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3. 		
5 List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100 during the 12-month period described by Section 176.003(a)(2)(B). Date Gift Accepted <u>N/A</u> Description of Gift _____ Date Gift Accepted _____ Description of Gift _____ Date Gift Accepted _____ Description of Gift _____ (attach additional forms as necessary)		
6 SIGNATURE I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.  <u>N/A</u> Signature of Local Government Officer Please complete either option below: (1) Affidavit NOTARY STAMP / SEAL Sworn to and subscribed before me by <u><i>Don V. John</i></u> this the <u>18</u> day of <u>June</u>, 20<u>25</u>, to certify which, witness my hand and seal of office. Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath OR (2) Unsworn Declaration My name is _____, and my date of birth is _____. My address is _____, _____, _____, _____, _____. (street) (city) (state) (zip code) (country) Executed in _____ County, State of _____, on the _____ day of _____, 20____. _____ Signature of Local Government Officer (Declarant)		

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 8/17/2020



5500 Democracy Drive, Suite 130
Plano, TX 75024
972.378.6588

www.willdan.com

CSP NO. 25-010-06-20

**UTILITIES PROFESSIONAL
SERVICES WATER AND SANITARY
SEWER COST OF SERVICE, RATE
AND DEBT CAPACITY STUDY**

JUNE 20, 2025



Prepared for:
Attn: Lori A. Maldonado, Purchasing Agent
City of San Juan
512 S. Nebraska Avenue
San Juan, Texas 78589-2649

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June 20, 2025

Ms. Lori A. Maldonado
Purchasing Agent
City of San Juan
512 S. Nebraska Avenue
San Juan, TX 78589-2649

Subject: RFQ No. 25-010-06-20 – Utilities Professional Services Water and Sanitary Sewer Cost of Service, Rate, and Debt Capacity Study

Dear Selection Committee:

The City of San Juan's (City) water and sewer utilities operate in a complex and ever-evolving landscape to provide public services that are affordable, reliable, and sustainable. At the same time, the pace of change in the utility market is accelerating, directly impacting your ability to provide quality service to your customers. Navigating the challenges of balancing long-term infrastructure investment, maintaining customer satisfaction and overall affordability of rates and charges, and the sheer amount of data available to drive decision making is overwhelming. How do you optimize data analysis to identify and inform the best strategic approach to deliver the right programs, address stakeholder demands, and ensure public trust?

Understanding your community, your organization, and your data are the three essential elements to developing actionable strategies to maximize your future services. NewGen Strategies and Solutions, LLC (NewGen) believes that strategy dictates everything. Our approach works across your data, markets, and communities to provide an integrated view designed to make long-term decisions with confidence. We leverage innovative modeling technology and market expertise in water, sewer, and solid waste to solve your most complicated issues. Through proactive collaboration, we upgrade or design strategies to ensure they are responsive, transparent, and reliable, while paving the way for successful buy-in across all your stakeholders.

We are pleased to submit to you our statement of qualifications to perform a Municipal Comprehensive Utility Rate Study for the City. While the enclosure to this letter sets forth our project approach, experience, and qualifications, there are a few key points we would like to stress:

- **Operational Insights** – NewGen makes data operational, resulting in actionable decisions with defensible results. We harness existing and untapped data to optimize operations, develop demand management or water conservation strategies, estimate the impacts of capital investments, and identify the rational nexus underlying rate structure decisions. NewGen has helped our clients recover costs, improve service delivery, and respond to changing market conditions.
- **Stakeholder Communication** – NewGen presents complex concepts by combining visual tools and our training expertise to ensure that our clients gain a deep understanding of how the issues and underlying data drive our recommendations and scenarios. This directly impacts the evaluation of the scenarios we present,

streamlines decision making, and successfully obtains buy-in from elected officials, advisory committees, regulatory bodies, utility senior management, and utility customers.

- **Expert Credentials** – NewGen professionals have served as expert witnesses in over 200 regulatory and civil proceedings and employs four of the less than twenty Accredited Senior Appraisers (ASA) certified by the American Society of Appraisers with a public utility’s designation in the United States. Every project at NewGen integrates nationally recognized experts and their insights into our analysis and deliverables, which have been pressure tested through the regulatory and civil process to deliver results with confidence. Specific to this engagement, NewGen’s proposed Project Manager also serves as the current Chair of the American Water Works Association’s Rates & Charges Committee and our Project Principal has served on this same committee since 2006.
- **Demonstrated Performance** – The issues being faced by the City are similar to those being faced by NewGen’s clients throughout the country. NewGen’s Project Team members have successfully completed similar projects to the City’s requested services and understand the key issues and challenges facing the City. We have included several references in our statement of qualifications and strongly encourage the City to contact them to learn more about our firm and specific Project Team members.

We look forward to interviewing with the City to answer any additional questions regarding the study methodology, the City’s specific objectives, and to discuss terms, timing, and pricing for the Study. We look forward to working with you on this important and interesting study and appreciate the City’s consideration of our proposal. Please feel free to contact me at (407) 913-4430 or by e-mail at rcampbell@newgenstrategies.net should you have questions or if additional information is needed.

Sincerely,

NewGen Strategies and Solutions, LLC



Richard L. Campbell
Managing Director – Water Practice

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PROPOSALS AND EXPERIENCE

Firm History

NewGen Strategies and Solutions, LLC (NewGen) is a management and economic consulting firm serving the utility industry and market. Established as a Limited Liability Company in August 2012, NewGen primarily serves public sector utilities and provides nationally recognized expertise in utility cost of service (COS) and rate design studies, financial feasibility studies, municipalization efforts, depreciation and appraisal studies, litigation support for state and federal regulatory proceedings, utility financial planning, and stakeholder engagement for electric, water, wastewater, stormwater, solid waste, and natural gas utilities. We currently have 62 employees in 13 offices nationwide. 51 of these employees are a part of the rate setting staff. Additionally, we have 8 contract employees. 7 members of the rates setting staff are a part of the proposed Project Team, including NewGen's CEO, Dave Yanke.



Over the past decade, NewGen has built a solid reputation for delivering high-quality solutions and services to over 500 clients in the public sector utility space. **The founding members of NewGen have more than 150 years of consulting experience**, which was acquired while working at nationally recognized consulting groups such as R. W. Beck, Inc. (now SAIC and Leidos), Navigant Consulting, and Touché Ross (now Deloitte), and regional practices, such as Reed, Stowe & Yanke. Individuals from NewGen provide the expertise gained from more than 1,200 economics and rates studies and over 370 regulatory and litigation projects supporting utility customers, regulatory staff, and utilities.

Rooted in our broad experience and perspectives, NewGen aligns our approach to your organization's goals and objectives to ensure your success. We listen first, then tailor our strategy to each unique situation to make the complex clear and defensible. We recognize the need for strategic intent behind our clients' actions by applying the latest market insights, technologies, and tactics to support our recommendations. Our results empower decision-makers to implement sound public policy, incorporating community input, market direction, and regulatory mandates.

Understanding your community, organization, and data are the three essential elements to developing actionable strategies to maximize the future. Our approach utilizes your data, market trends, and community values to provide an integrated view designed to make long-term decisions with confidence. We leverage our modeling technology and market expertise in energy, water, wastewater, and solid waste to solve your most complicated issues. Through proactive collaboration, we upgrade or design strategies for you to ensure they are responsive, transparent, and reliable while paving the way for successful buy-in across all your stakeholders. Our approach has three important features:

1. **Client/Stakeholder Communications:** NewGen simplifies complex concepts by combining visual tools and our training expertise to ensure that clients understand how the issues and underlying data drive our recommendations. This directly impacts the evaluation of the scenarios we present,

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streamlines decision-making, and successfully obtains buy-in from elected officials, customers, regulatory bodies, and senior management.

2. **Operational Insights:** NewGen makes data operational, resulting in actionable decisions with defensible results. We harness existing and untapped data to optimize operations, develop demand management strategies, estimate the impacts of distributed generation, and identify the rational nexus underlying pricing decisions. We help our clients recover costs, improve service delivery, and respond to changing market conditions.
3. **Trusted Expertise:** We have served as expert witnesses in over 370 regulatory and civil proceedings and employ 26% of the ASA-accredited public utility appraisers in the United States. Unlike other firms, NewGen integrates the insights of nationally recognized experts into our models, both of which have been pressure tested through regulatory and civil processes.

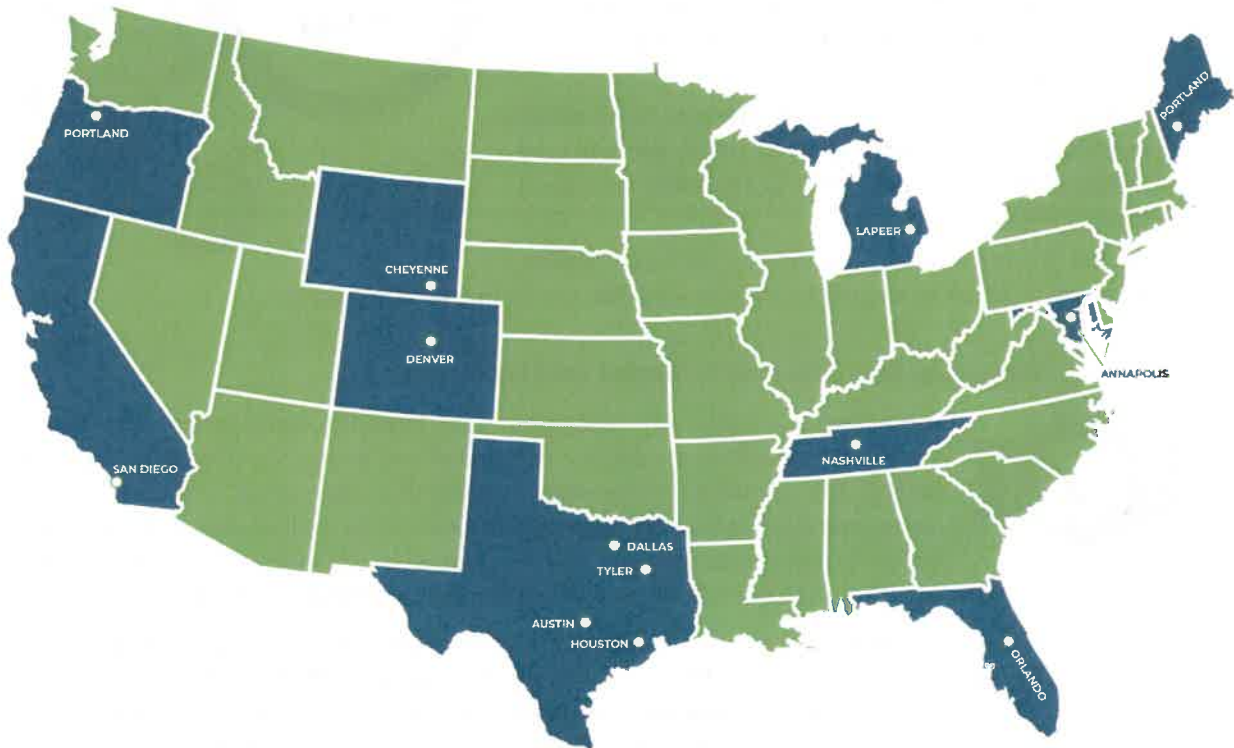


Exhibit 1. NewGen Office Locations

NewGen's Core Values

These core values drive each of our client engagements and separate us from other firms that provide similar services.

- **Make an Impact** – NewGen makes a firm-wide commitment to donate one percent of gross revenues each year to charity. This commitment is the heart of NewGen's value system.
- **Foster Innovation** – NewGen's capabilities are constantly improving, and each employee is encouraged to develop and implement cutting edge methodologies to deliver results to clients.
- **Expect Quality** – Each step of the way, NewGen expects quality deliverables both internally and externally through detailed Quality Assurance/Quality Control processes.
- **Cultivate Community** – NewGen strives to be an active member of the communities in which we work by offering employees paid time to volunteer with local charity organizations.
- **Be the Trusted Advisor** – Our clients trust us to deliver thoughtful advice in an understandable way that can be practically applied.



Nationally Recognized Rate Expertise & Market Leading Models



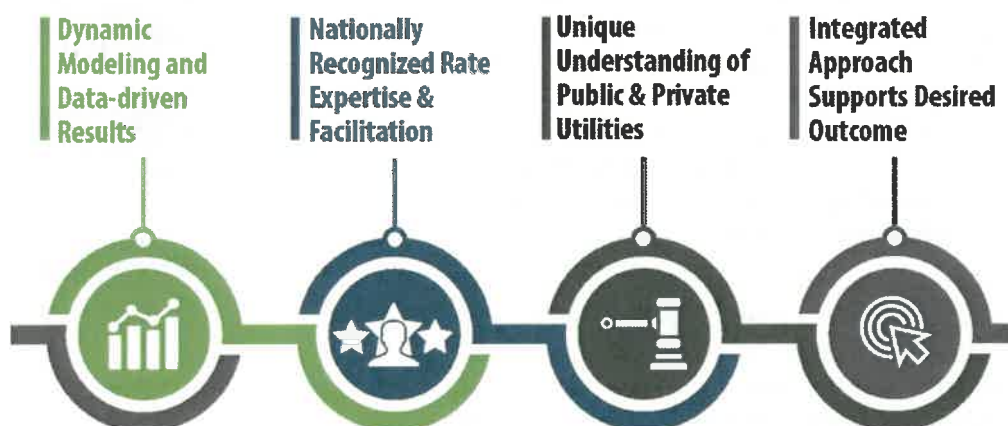
Combining our nationally recognized rate expertise with robust and dynamic modelling capabilities produces a comprehensive analysis and helps to ensure and defend the eventual Study recommendations. Our team includes nationally recognized experts in cost of service and rate making in the public utility market. As the utility industry has evolved, our experience has expanded to include more recent concerns around conservation, resource availability, revenue stability, and affordability.

NewGen leverages our deep cost of service and rate design expertise to create comprehensive, innovative, and easy-to-use models and tools. In addition, our models and methodologies have been refined and enhanced to allow for easy user entry, allocation factor selections, and scenario evaluation. All our models and tools are also tailored specifically to each client we serve and routinely facilitate presentations and demonstrations with Boards, Councils, and Commissions. Our models also include instructions with a proven track record of adoption by clients for ongoing cost of service or rate actions.

By combining our deep rate-related expertise with our modelling capabilities, it allows us to deliver more to clients for less. For instance, NewGen developed a model that allowed the City of Tucson, Arizona to quantify the impact if four departments were moved from the General Fund to the Environmental Services Department and “toggle” back and forth to determine the impact on residential and commercial solid waste rates.

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The following graphic summarizes the unique perspectives, capabilities, and approaches that NewGen will incorporate into a successful cost of service analysis and rate study for the City.



Our integrated approach of rate making and stakeholder engagement expertise, market leading models, and our unique knowledge of utilities further ensures the Study's success and likelihood of achieving its desired outcomes in the market.

The table below offers all types of engagement typically performed by Newgen.

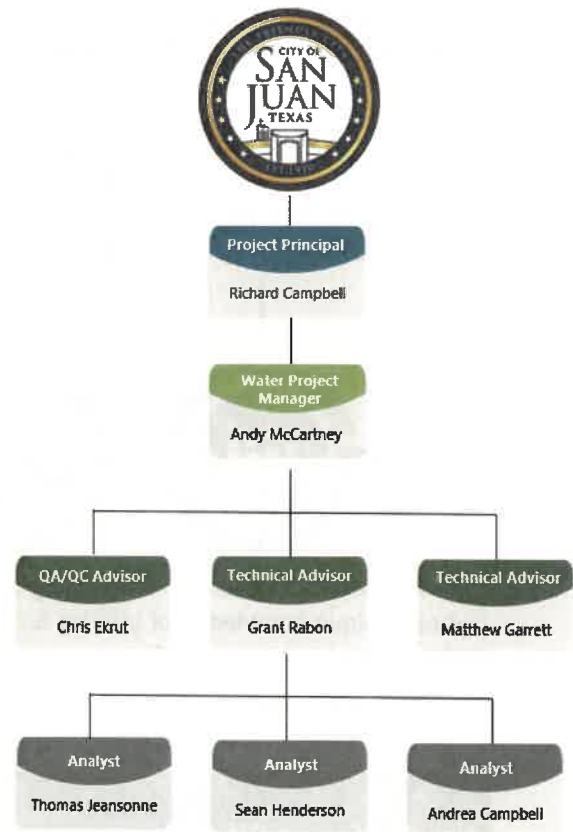
NewGen Service Offerings		
<i>Affordability Analysis</i>	<i>Financial/Funding Needs Modeling</i>	<i>Procurement Assistance</i>
<i>Cost of Service and Rate Design</i>	<i>Operation and Management Audits</i>	<i>Regulatory Compliance</i>
<i>Contract Negotiations</i>	<i>Ordinance Review and Development</i>	<i>Stakeholder Engagement</i>
<i>Collection Options Evaluations and Efficiency Studies</i>	<i>Organizational Development</i>	<i>Strategic and Master Planning</i>
<i>Feasibility Studies</i>	<i>Public Education and Outreach</i>	<i>Utility Business Planning</i>
		<i>Valuation Services</i>

Project Team Members

NewGen evaluates the needs of each project and responds by assembling a Project Team of knowledgeable professionals who are uniquely qualified to provide the services needed. The Project Team includes widely recognized cost of service, rate-making and financial forecasting experts that possess unique knowledge of water, sewer, and solid waste resources. This includes knowledge of industry trends as well as best practices for utility systems.

We intend to serve the City of San Juan from our Dallas and Austin, Texas offices, where our proposed Project Team members are located. The proposed Project Team organizational chart indicates the lines of communication and responsibility, followed by short bios of key Project Team members.

Resumes, which include experience for each member of the proposed engagement team, can be found in Appendix A.



Richard Campbell, Managing Director – Water Practice

PROJECT ROLE: Project Principal | LOCATION: Dallas, TX | PHONE: (972) 528-7158 | EMAIL: rcampbell@newgenstrategies.net

Mr. Richard Campbell has over 37 years of experience in the industry, previously serving as the Financial Services Director of Freese and Nichols. He has led several complex electric, natural gas, and water/wastewater utilities projects. Mr. Campbell is an expert in a full range of utility finance issues, including debt issuance support (revenue bond feasibility); valuation studies for acquisitions and mergers; alternative capital financing analyses; economic feasibility studies; wholesale and retail ratemaking/cost of service; impact fee/system development fee analysis; asset planning and asset management; development of renewal and replacement programs; and strategic and business planning.



Andy McCartney, Principal

PROJECT ROLE: Project Manager | LOCATION: Dallas, TX | PHONE: (469) 501-5892 | EMAIL: amccartney@newgenstrategies.net

Mr. Andy McCartney joined NewGen as a Principal in 2022. During his tenure, he has provided financial modeling, financial analyses, and data analytics support, primarily for NewGen's Environmental Practice. Mr. McCartney is a Certified Public Accountant (license #75842) and obtained an MBA in Finance & Accounting from Dallas Baptist University. Before joining NewGen, Mr. McCartney acquired over 30 years of experience in utility finance, cost of service,

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and rate design for Water, Wastewater, Stormwater, Solid Waste, and Electric Utilities. Mr. McCartney is also the current Chairman of the AWWA Rates and Charges Committee. During his career, Andy has provided a variety of client services including, but not limited to, wholesale and retail cost of service and rate design studies, user fee studies, impact fee credit calculations, strategic utility services planning, economic feasibility studies, valuations, utility billing system audits, process mapping of operations, stormwater fee models, and litigation support throughout the United States. Andy also has numerous years of experience providing auditing services for local governments.



Chris Ekrut, Chief Financial Officer

PROJECT ROLE: QA/QC Advisor | LOCATION: Dallas, TX | PHONE: (972) 232-2234 | EMAIL: cekrut@newgenstrategies.net

Mr. Chris Ekrut is a founding Partner and Chief Financial Officer for NewGen. Mr. Ekrut has been providing consulting services since 2004, with the majority of his client-related projects focused on pricing services and developing rates and fees for utility systems, as well as supporting clients before regulatory agencies.

Mr. Ekrut is a recognized expert witness, having filed testimony regarding cost of service and rate design and providing litigation support and regulatory filing assistance before rate regulatory agencies. He has conducted numerous wholesale and retail water and wastewater rate studies, developed utility rate and fee models, and assisted in negotiations and litigation involving several wholesale service contracts. He also serves as an instructor for the national “Fundamentals of Water Cost of Service and Rate Design” class sponsored by EUCI and serves on the Faculty of the National Association of Regulatory Commissioner’s (NARUC) Rate School. Mr. Ekrut was also recently accredited as a Certified Rate of Return Analyst by the Society of Utility and Regulatory Financial Analysts (SURFA).



Grant Rabon, Partner

PROJECT ROLE: Technical Advisor | LOCATION: Austin, TX | PHONE: (512) 900-8232 | EMAIL: grabon@newgenstrategies.net

Since 2005, Mr. Rabon has managed electric, water, wastewater, natural gas, and solid waste utility projects designed to safeguard clients’ financial integrity primarily through the performance of financial feasibility studies, depreciation studies, valuations/appraisals, or comprehensive cost of service analyses. His educational background facilitates a unique understanding of the financial implications of technical projects. Further, he is one of less than 20 individuals in the nation with an Accredited Senior Appraiser designation in Public Utilities from the American Society of Appraisers.



Matthew Garrett, Managing Director – Client Relation & Services

PROJECT ROLE: Technical Advisor | LOCATION: Dallas, TX | PHONE: (972) 675-7699 | EMAIL: mgarrett@newgenstrategies.net

Mr. Matthew Garrett, MBA, CGFO, CPM, leads a variety of cost of service and rate design studies for engagements with water, wastewater, natural gas, and stormwater utilities. He has over 20 years of experience working in the public sector, and his diverse experience enhances each project with his pragmatic management perspectives. In addition to cost of

service studies, he has managed or assisted on projects focused on impact fees, valuation, feasibility analyses, process improvement, public engagement, and litigation support.



Andrea Campbell, Consultant

PROJECT ROLE: Analyst | LOCATION: Dallas, TX | PHONE: (469) 661-1096 | EMAIL: acampbell@newgenstrategies.net

Ms. Andrea Campbell joined NewGen as a full-time Consultant in February 2024. A dynamic financial modeling specialist and strategic consultant, she excels at transforming data into actionable insights. Known for her analytical acumen and creative problem-solving, Ms. Campbell leverages robust financial models to help utility clients forecast operating expenses, capital requirements, debt service, and reserve funding over both short- and long-term horizons. She collaborates with project managers to develop sophisticated financial models based on industry-standard cost allocation methodologies. Ms. Campbell utilizes comprehensive data-driven analytics to support utility clients in making strategic decisions regarding operating, capital, debt service, and reserve planning. She advises utility clients on optimizing billing structures and project revenue streams through meticulous utility billing analyses and regional benchmarking.



Thomas Jeansonne, Consultant

PROJECT ROLE: Analyst | LOCATION: Dallas, TX | PHONE: (972) 301-7001 | EMAIL: tjeansonne@newgenstrategies.net

Mr. Thomas Jeansonne joined NewGen in May 2024 as a Consultant, providing financial analysis supporting water and wastewater cost of service, and rate design projects. In addition, he served as a financial analyst for Ochsner Health Systems in Louisiana providing strategic support for budget development and analysis, financial reporting, and operational analysis for three separate healthcare service lines. Mr. Jeansonne graduated in 2021 with a bachelor's degree in business administration with a concentration in finance from Millsaps College and obtained his MBA in 2022 from Millsaps College Else School of Management.



Sean Henderson, Consultant

PROJECT ROLE: Analyst | LOCATION: Austin, TX | PHONE: (512) 643-2205 | EMAIL: shenderson@newgenstrategies.net

Mr. Sean Henderson joined NewGen as a full-time Consultant in October 2023. He has worked on several cost of service and rate design studies for water, wastewater, and municipal solid waste utilities, applying his financial modeling skills. Mr. Henderson's experience includes investment analysis, R programming, and Microsoft Excel modeling.

Please see Appendix A for full resumes.

Engagement Team Qualification and Experience

Our Project Team professionals have worked hard over the years to attract and maintain a diversified staff who are passionate about water, sewer, and solid waste management. We have built our reputation by providing clients with solutions based on sound principles, economic feasibility, and innovative thinking without losing sight of budget and schedule considerations and constraints. We are proud of the long-standing relationships that we have developed with our clients.

We encourage the City to contact the representative professional references listed in the References section of this proposal. These clients can speak to our ability to provide quality work and timely completion.

Water and Wastewater Experience

Corpus Christi Water, Texas **Water and Wastewater Rate Consulting & Modeling Services**



Members of NewGen have been providing rate consulting and modeling services, as well as serving as a trusted advisor, to the City of Corpus Christi since 2022. Services provided to the City relating to its water and wastewater utilities have included the following:

- Built a new comprehensive financial planning and cost of service-based rate model to provide the utility more efficient data entry through an Input Manager, evaluation of multiple capital improvement program (CIP) plan scenarios through a Scenario Manager, determination of rates for contractual raw and treated water customers in accordance with numerous water service contracts, and the determination of retail water and wastewater rates through separate customer class cost of service.
- Assisted Corpus Christi Water by leading two meetings with the utility and its 11 large volume customers, including equalization of inside and outside city limit rates.
- Assisted the City and utility through the public budget workshop process of running alternative rate scenarios based on public feedback and providing responses in a timely manner using the new financial planning and rate model.
- Recommended financial and rate policy changes to the City Manager's Office that will be phased-in over multiple years, including the increase in cash reserves from 90 days of Operations and Maintenance (O&M) expense to 120 days, increasing the debt service coverage policy from 1.25 times to 1.50 times for seniority debt, utilizing pay-as-you-go funding for capital projects involving repair and rehabilitation, and the elimination of outside city limit differentials that were less than, as well as more than, 2.00 times inside city limit rates for residential, commercial, and large volume customers.

Sharyland Water Supply Corporation (Mission, Texas) **Water Cost of Service and Rate Design Study**



In December 2015, NewGen was retained by Sharyland Water Supply Corporation (Sharyland) to perform an independent cost of service and rate design study for Sharyland's water utility. Sharyland provides water service to

approximately 17,000 customers in its water service area, making it one of the largest water supply corporations in Texas. Based on the current water rates, NewGen determined that Sharyland had sufficient funds to finance its current operations and proposed capital repairs and improvements and therefore, recommended no change to the current rate structure. NewGen also assisted Sharyland in establishing a series of reserve funds for water rights, membership fees and replacing aging infrastructure.

NewGen was retained in 2021 to conduct an update to the prior Study, with a final report issued to the Board of Directors in January 2022. The key issues associated with the 2022 Study were to review the capital improvement plan and ensure sufficient revenues to fund all required capital projects. Final rate recommendations included the elimination of the 1,000 gallons included in the minimum bill, and a 2% increase in the volumetric rate. It was envisioned that no further rate increases would be required until at least FY 2027.

City of Weslaco, Texas

Water, Wastewater and Solid Waste Cost of Service and Rate Design Study



NewGen is currently working with the City of Weslaco to perform a multi-utility study for Water, Wastewater and Solid Waste. The City currently serves approximately 13,500 water and wastewater customers and 10,820 solid waste accounts.

The goals of this study are to:

- Ensure that there are sufficient revenues to meet current and future expenses including operation, maintenance, capital improvement projects, and debt service;
- Achieve equitable rates within customer classes;
- Identify a path for water, wastewater, and solid waste to be self-sustaining; and
- Provide a cost-of-service analysis and develop rate alternatives.

City of Copperas Cove, Texas

Multiple Water and Wastewater Cost of Service and Rate Design Studies



The City of Copperas Cove is located in Central Texas, not far from the nearby U.S. military post, Fort Cavazos. The City retained NewGen to perform a multi-utility study for four existing services, including Water, Wastewater, Stormwater, and Solid Waste. In conjunction with this Study, the City also requested that NewGen evaluate the potential for the City to adopt a Transportation Utility Fee (TUF).

The City's Water and Wastewater Utilities serve approximately 15,000 customers and have annual budgeted expenses increasing from \$18 million to almost \$25 million over the projected five-year period. The City was facing wholesale costs that were doubling, along with increases to the capital improvement plan. Since much of the increased cost related to meeting increasing peaking demands on their system, NewGen helped migrate the City from flat volumetric rates to an inclining block rate structure. Doing so helped the City send price signals to higher, discretionary users of water, while helping to ease the burden of increased costs to lower volume users.

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The City's Stormwater Drainage Utility had annual expenses of around \$1.3 million and expects just over \$7 million in capital needs over the next five years. NewGen evaluated the billing potential of existing customers and recommended needed increases as part of the five-year plan.

The City's Solid Waste System operations include residential and commercial collection of reuse and recycling. Additionally, the City owns and operates a transfer station. Through interviews with key staff in Solid Waste, NewGen determined the actual costs to serve each type of collection service. NewGen recommended phasing in rates that more closely align the cost to serve with the fees collected.

For each existing utility, NewGen also provided an Excel-based financial forecasting and rate model deliverable. NewGen continues to support the City as needed with training new staff on the use of the model or any customizations as special situations arise.

Establishing a TUF is a viable strategy for local governments to respond to the challenge of generating reliable revenue to support related infrastructure and operational activities. This fee is generally collected as part of the monthly utility bill, providing a stable stream of revenue for the City.

Based on our review of property uses in the City, which utilized the industry standard Trip Generation Manual, 11th Ed., the City has a total of 33,940 expected trip units, which would serve as an equitable basis for charging properties for demands placed on the transportation system. If a TUF was adopted, each \$1 per trip unit would generate \$366,555 in annual revenue, with residential properties paying only thirty-eight percent (38%) of the total, which would cost the average resident less than raising the same amount in property taxes.

Following the successful completion of the aforementioned projects, the City has since retained Mr. Matthew Garrett, NewGen's Managing Director of Client Relations and Services, to assist in implementation phases of the Transportation Utility, as well as supporting other utility rate reviews as part of the FY 2025 budget.

City of Kerrville, Texas
Water and Wastewater Revenue Sufficiency and Rate Design Study (2019-2020)



NewGen was selected by the City of Kerrville to prepare a Water and Wastewater Revenue Sufficiency and Rate Design Study. This Study involved a 2-phase approach, with Phase I completed in 2019 and focused solely on Fiscal Year 2019 – 2020 (FY 2020).

Phase II of the Study will commence upon completion of the City's Water and Wastewater Master Plans and focus on future time periods and increases needed to fund required capital improvements.

During Phase I, completed in 2019, NewGen prepared a summary of the anticipated cost of providing water and wastewater services for FY 2020 based on a variety of key inputs including, but not limited to, the City's proposed budget, capital programs, debt service requirements, and anticipated customers and usage. Additionally, NewGen calculated needed rates under existing rate design and prepared alternative rate adjustments that were considered by City Staff. The results of the Study were presented to the City Council and adopted effective October 1st, 2019.

City of Pflugerville, Texas

Water and Wastewater Cost of Service Study (2014, 2017, 2018, 2020, 2021, 2022, 2023)



In 2014, NewGen was retained by the City of Pflugerville (City) to perform a comprehensive water and wastewater cost of service and rate design study for the City's retail and wholesale customers. The City had not adjusted rates since 2010 and, in addition to updating the rates to reflect the current cost of providing service, there were a few structural changes recommended by NewGen in order to align the rates with industry best practices. This included the development of new rate tiers for water, as well as increasing the magnitude of increases between rate tiers to properly incentivize conservation. Also, NewGen recommended that, consistent with best practices, there be no volume of wastewater included in the fixed charges.

The City also needed to plan for the financial impacts of changes dictated by the Lower Colorado River Authority (LCRA) – the City's primary source of water. LCRA had announced a 16 percent increase in its firm water rate. Further, LCRA was mandating a watering schedule and could implement a curtailment of 20 to 30 percent, due to drought conditions. This had meaningful implications for the City's fixed cost recovery. Thus, incremental pass-through rates were designed to safeguard the City's financial sustainability in the event of a curtailment.

In 2017, NewGen was engaged again to conduct an update to the water and wastewater cost of service and rate design study. A key issue in the update was evaluating the rate impacts projected to facilitate significant wastewater capital improvement projects (\$92.7 million over nine years). NewGen provided a financial forecast to help the utility prepare for the capital funding needs.

NewGen was engaged again in 2018 to update the water and wastewater cost of service and rate design study to reflect revisions to the wastewater capital improvement plan (now \$97 million over 4 years), as well as other changes to the systems. NewGen also evaluated the overall, embedded and incremental cost of water for the City's consideration when evaluating the opportunity to supply water via contract. Finally, NewGen calculated the cost of the City providing prospective wastewater service in the Cottonwood basin.

NewGen completed a 2020 update to the water and wastewater cost of service and rate design study that incorporated the new master plans and impact fees as well as approximately \$188 million in water capital projects and \$242 million in wastewater capital projects over the 5-year forecast.

NewGen completed a 2021 update to the water and wastewater cost of service and rate design study that not only incorporated changes to the significant water and wastewater capital improvement plans, but also engaged representatives from the various districts served by the City under contract on possible increases to the wastewater rates charged to customers within these districts. At the conclusion of the presentation of the results to City Council, the Assistant City Manager send us the following message (disclosed with permission):

"I wanted to let you know that you did an amazing job at City Council last night. We appreciate you being able to translate technical and complex information into something everyone can understand. Thanks for all your work on the rate study."

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NewGen worked with the City throughout 2022 to not only update the rates to accommodate the significant increases forecasted for water capital projects, but also support the City in its interactions with various districts, for which the City provides water and wastewater services via contract.

NewGen completed another update to the City's water and wastewater rates in 2023 to accommodate a five-year capital improvement plan that now exceeds \$800 million. NewGen worked extensively with the City's Financial Advisor to develop a debt strategy that accommodated the significant capital plan while balancing rate impacts.

TEXAS WATER AND WASTEWATER COST OF SERVICE AND RATE DESIGN STUDIES

The professionals at NewGen have performed water and wastewater cost of service and rate design studies for over 100 Texas municipalities, counties, water supply corporations, irrigation districts and special utility districts. The table below includes an extensive list of these clients, many of whom have engaged NewGen in multiple studies over the years.

Texas Water and Wastewater Cost of Service and Rate Study Experience

Aledo Independent School District	City of Hutchins	Dripping Springs Water Supply Corporation
Alliance Regional Water Authority	City of Hutto	Eastland County Water Supply District
Aqua Texas Inc.	City of Idalou	El Paso Water Utilities
Aqua Water Supply Corporation	City of Irving	Garland Power & Light
Argyle Water Supply Corporation	City of Jacksonville	Goforth Special Utility District
Austin Water	City of Jarrell	Gonzales County Water Supply Corporation
BASF Corporation	City of Justin	Grass Valley Water, LP
Bell Co Water Control and Improvement District # 1	City of Keller	Green Valley Special Utility District
Bell Co Water Control and Improvement District # 3	City of Kerrville	Grey Forest Utilities
BGICO, LLC	City of Kilgore	Guadalupe-Blanco River Authority
Block House Municipal Utility District	City of Killeen	Hammond Sanitary District
Bois D'Arc Municipal Utility District	City of Lake Jackson	HILCO
Brittingham Development Group	City of Lampasas	HydroTex
Brushy Creek Municipal Utility District	City of Lancaster	Intco Development of Texas, Inc.
Buena Vista-Bethel Special Utility District	City of League City	IntegraWater
Canyon Lake Water Service Company	City of Lewisville	Jarrell Schwertner Water Supply Corporation
Canyon Regional Water Authority	City of Liberty Hill	JNC Development, Inc.
Carefree Water Company	City of Longview	John Soules Foods, Inc.

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Cash Special Utility District	City of Lubbock	Johnson County Special Utility District
Central States Water Resources	City of Mabank	Kempner Water Supply Corporation
Central Texas Water Supply Corporation	City of Magnolia	L&R Utilities
City of Ada	City of Mansfield	Lake Cities Municipal Utility Authority
City of Aledo	City of Marshall	Lake Fork Water Supply Corporation
City of Allen	City of Mart	Lakeway Municipal Utility District
City of Ames	City of McGregor	Lawrence Water Supply Corporation
City of Angleton	City of McLendon-Chisholm	Lee County Water Supply Corporation
City of Anna	City of Mesquite	Levi Water Supply Corporation
City of Aransas Pass	City of Mineral Wells	Liberty City Water Supply Corporation
City of Arlington	City of Missouri City	Liberty Utilities
City of Athens	City of Mount Pleasant	Manville Water Supply Corporation
City of Austin	City of Mount Vernon	Marilee Special Utility District
City of Ballinger	City of Murphy	Maxwell Special Utility District
City of Bandera	City of Nacogdoches	MCC Utilities
City of Bartlesville	City of Navasota	Meyer Ranch Municipal Utility District
City of Bartlett	City of New Braunfels	Midland County Utility District
City of Bastrop	City of New Deal	Monarch Utilities
City of Bay City	City of Newcastle	Mountain Peak Special Utility District
City of Bedford	City of Odessa	MSEC
City of Bellmead	City of Olney	Mustang Special Utility District
City of Blue Mound	City of Palestine	North Collin Special Utility District
City of Boerne	City of Palmer	Northeast Texas Municipal Water District
City of Bonham	City of Paris	North Texas Municipal Water District
City of Borger	City of Pecos	Nueces County Water Control and Improvement District #3
City of Bowie	City of Pflugerville	Nueces County Water Control and Improvement District #4
City of Breckenridge	City of Pharr	Palo Pinto Municipal Water District #1
City of Brenham	City of Phoenix	Parker County Special Utility District
City of Brownfield	City of Plano	Pillar Income Asset Management
City of Brownsville	City of Portland	Quadvest
City of Bryan	City of Post	Quail Springs Mobile Home & RV Park
City of Burkburnett	City of Prairie View	Ranch Road Bollinger, LLC
City of Burnet	City of Princeton	Rayburn Country Municipal Utility District
City of Canadian	City of Red Oak	Rayburn Water Source, LLC
City of Canyon	City of Richmond	RCH Water Supply Corporation
City of Carrollton	City of Roanoke	Riverbend Water Resources District

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City of Carthage	City of Robinson	Rockett Special Utility District
City of Cedar Hill	City of Rockdale	Sabine River Authority
City of Childress	City of Rockport	Scurry County
City of Cibolo	City of Roswell	Seaboard Water Supply Corporation
City of Cleburne	City of Sachse	Shady Hollow Municipal Utility District
City of Colleyville	City of Sanger	Sharyland Water Supply Corporation
City of Conroe	City of Schertz	South Ellis County Water Supply Corporation
City of Coppell	City of Seabrook	South Newton Water Supply Corporation
City of Copperas Cove	City of Seagoville	South Texas Water Authority
City of Corpus Christi	City of Sealy	Southwest Milam Water Supply Corporation
City of Dalhart	City of Seminole	STV Infrastructure
City of Decatur	City of Springfield	Tarrant Regional Water District
City of Deer Park	City of Star Harbor	Texarkana Water Utilities
City of Del Rio	City of Stillwater	Texas RioGrande Legal Aid, Inc.
City of Denton	City of Sugar Land	Texas Rural Water Association
City of Diboll	City of Temple	Texas Water Development Board
City of Ennis	City of Terrell	TFT Utilities, LLC
City of Eunice	City of Thornton	Titus County Fresh Water Supply District #1
City of Farmers Branch	City of Tioga	Town of Argyle
City of Farmington	City of Tishomingo	Town of Flower Mound
City of Fate	City of Tolar	Town of Highland Park
City of Forest Hill	City of Truth or Consequences	Town of Lakeside
City of Forney	City of Tyler	Town of Little Elm
City of Fort Worth	City of Uvalde	Town of Northlake
City of Frisco	City of Van Alstyne	Town of Pantego
City of Garland	City of Victoria	Town of Prosper
City of Gatesville	City of Waco	Town of Sunnyvale
City of Georgetown, TX	City of Weatherford	Town of Trophy Club
City of Giddings	City of West Lake Hills	Town of Westlake
City of Glenn Heights	City of West University Place	Travis County Municipal Utility District # 18
City of Godley	City of White Settlement	Travis County Water Control and Improvement District # 18
City of Gonzales, TX	City of Willow Park	Trinity River Authority of Texas
City of Grapevine	City of Wilmer	Trinity Rural Water Supply Corporation
City of Green River	City of Wolforth	Trophy Club Municipal Utility District
City of Greenville	City of Wylie	Undine Operating, LLC
City of Groves	Colorado River Municipal Water District	Unity Water Solutions

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City of Gunter	Community Water Company	Utility Engineering Group
City of Haltom City	Cooper Empire, LLC	Vineyard Ridge Water Supply, LLC
City of Hamilton	County Line Special Utility District	Vital Cycle, LP
City of Heath	Cresson Crossroads Municipal Utility District # 2	Walker County Special Utility District
City of Hobbs	Culleoka Water Supply Corporation	Wellborn Special Utility District
City of Houston	Custom Water Company LLC	West Wise Special Utility District
City of Hudson Oaks	DMB Development	Westbrook Independent School District
City of Huntsville	Double Diamond Companies	Windemere Oaks Water Supply Corporation

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REFERENCES

We have provided references for the Engagement Team Qualifications and Experience in the table below. We encourage the City to contact these clients who can speak to our ability to successfully meet project milestones and contract deadlines, as well as provide quality work similar to the services being requested by the City.

Client	Project	Reference Contact
Water/Wastewater		
Corpus Christi Water - City of Corpus Christi, TX	Water and Wastewater Rate Consulting & Modeling Services	Reba George, Assistant Director-Business & Customer Support (361) 826-1648 rebag@cctexas.com
Sharyland Water Supply Corporation (Mission, TX)	Water Cost of Service and Rate Design Study	Jesse Valadez, Finance & Accounting Supervisor (950) 585-6081 jvaladez@sharylandwater.com
City of Copperas Cove, TX	Multiple Water and Wastewater Cost of Service and Rate Design Studies	Scott Osburn, Director of Public Works (254) 547-0751 sosburn@copperascovetx.gov
City of Stillwater, OK	Water and Wastewater Cost of Service and Rate Design Study	Candy Staring, Engineering Director (405) 742-8203 candy.staring@stillwater.org
City of Kerrville, TX	Water and Wastewater Revenue Sufficiency and Rate Design Study	EA Hoppe, Deputy City Manager (830) 258-1110 EA.Hoppe@kerrvilletx.org
City of Pflugerville, TX	Water and Wastewater Cost of Service Study	Sereniah Breland, City Manager (512) 990-6101 sereniahb@pflugervilletx.gov
Multi-Utility		
City of Canyon, TX	Water, Wastewater and Solid Waste Cost of Service and Rate Design Study	Joe Price, City Manager (806) 655-5000 jprice@canyontx.com
City of Bartlesville, OK	Multiple Water, Wastewater and Solid Waste Cost of Service and Rate Design Study	Jason Muninger, CFO/City Clerk (918) 338-4212 jsmuninger@cityofbartlesville.org
City of Green River, WY	Water, Wastewater and Solid Waste Cost of Service and Rate Design Study	Chris Meats, Director of Finance cmeats@cityofgreenriver.org (307) 872-6125

WORK PLAN

Water and Wastewater Cost of Service and Rate Design Study

Methodology

We realize that the RFQ is not necessarily asking for a project scope, but we have developed a work plan of specific tasks aligned with the City's goals to provide the City with an idea of project flow and expectations. This also allows insight into how NewGen drives and manages this project.

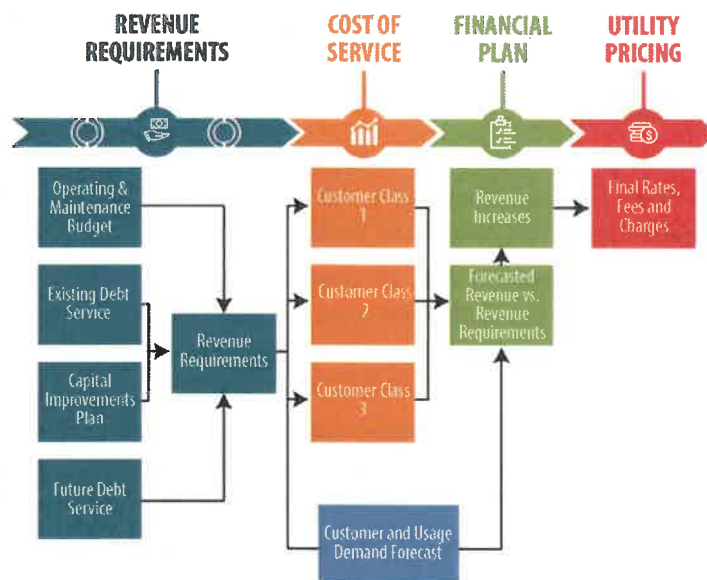
When undertaking a cost of service and/or rate study for a municipal utility, it is important that participants in the study have a shared vision of the objectives and characteristics that must be reflected in the study. Our approach to reviewing and evaluating municipal utility rates is governed by the view that the ideal rate structure must satisfy seven criteria:

1. **Equity** requires that rates and charges result in no undue discrimination among customers or customer classes. Although equity is normally related to the cost of service, it should be realized that customer acceptance will center on preconceived notions of equity and fairness.
2. **Efficiency** refers to the ability of the rate schedule to encourage wise use of the resources devoted to the services that the utility provides. In some areas, this means the adoption of "conservation" rates. Whether or not this proves appropriate, efficiency considerations require that:
 - Rates should reflect the cost of providing service
 - Rates should be similar for customers or customer classes served under similar conditions
 - Customers who place more demands (both capacity and usage) on the system should pay appropriately for their level of service
3. **Revenue Adequacy** is the most fundamental of all considerations, as it recognizes that rates are cost driven. It is necessary that the rates produce revenues sufficient to operate the system and that those rates produce sufficient revenues if there are changes in demand for service.
4. **Affordability** means that the recommended rates must result in bills that are realistically within the ability of customers to pay – not based on some arbitrary measure, but relative to other customer expenses.
5. **Sustainability** means that the objective of the rate methodology is to keep rates low over time, not to merely keep them low for the short-term by omitting or deferring needed expenses, such as maintenance and funding of necessary cash reserves.
6. **Administrative Simplicity** recognizes that customers and City staff should be able to understand the rate schedules. Customers should be able to make rational decisions regarding their purchase of service and what it will cost. In addition, the rate structure must be compatible with the City's billing system.
7. **Legal and Regulatory Compliance** is a prime consideration because rate structures must incorporate applicable local, state, and federal statutes.

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The application of the criteria should recognize that a rate schedule is a form of a public policy statement, setting forth those values that the utility considers important. Rate structures must be tailored to community perceptions, realities, and values. While each utility's budgeting, financial reporting and flow of funds is unique, a generalized schematic illustrating our approach to a cost of service/rate study is shown in the graphic to the right.

Rate structures must be tailored to community perceptions, realities, and values if the project is to proceed smoothly and timely. Our standard approach to completing a cost of service/rate/fee study is predicated on a 4-step process using industry-standard methodology that is explicit and replicable:



- **Revenue Requirements** - Develop and document the full cost of providing each separate service, including those costs that may not be explicitly identified in the utility's budget, such as the need for repair and replacement (deferred maintenance).
- **Cost of Service** - Allocate revenue requirements to customer classes or types of customers and functions based on the cost of providing service to the extent necessary.
- **Financial Plan** - Develop a financial plan to fund system revenue requirements considering customer and usage demand forecasts.
- **Utility Pricing** - Review and evaluate rate/fee designs based on revenue needs and policy goals related to rate design (e.g., encouragement of conservation, support for economic development, affordability, etc.).

Task 1.1 – Project Initiation

Data Request

The Project Team will develop an initial data request to gather the data needed to develop the rate model and adequately begin the review and evaluation of the City's retail water and sewer rates. This data will include, but is not limited to, operating, financial, management, policy, and ordinance data. The purpose of the initial data request is to become more familiar with the City's operations and policies in order to maximize the effectiveness of our time with City representatives at the project kickoff meeting.

Examples of some of the items NewGen would request are listed below.

- Recent Annual Comprehensive Financial Report (formerly known as the Comprehensive Annual Financial Report)

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- Line-item budget versus actuals for water and sewer utilities for FY 2022 through FY 2024
- Water (retail and wholesale) service rate revenues, by month, for FY 2022 through most recent available month.
- Water and/or wastewater cost analysis and/or engineering analysis (i.e., Master Planning documents) performed either internally or by an external consultant for the City within the last 5 years.
- Any historically applicable water and/or sewer rate ordinances since FY 2022, including effective date of the ordinance.
- A copy of the water and or sewer rate tables from the City's Utility Billing System.
- Any contracts and applicable amendments to said contracts the City has entered into concerning the purchase of treated water.
- In electronic format, the volume of daily water production, by source, from FY 2022 to the most recent available month.
- As applicable, the monthly groundwater and/or surface water operating reports submitted to the Texas Commission on Environmental Quality (TCEQ) from FY 2022 to the most recent available month.
- In electronic format, the volume of daily and/or monthly water purchases from FY 2022 to the most recent available month.
- In electronic format, the number of **active** water connections by **meter size**, by **customer class**, and by month from FY 2022 to the most recent available month. (e.g., for FY 2022: 250 3/4-inch single family meters.) Please identify fire protection meters separately.
- In electronic format, the number of **active** water connections by **meter size**, by **customer class** of all **non-billed** water users from FY 2022 to the most recent available month.
- Provide historical water consumption, by **month**, and by **customer class** from FY 2022 to the most recent available month divided into the City's current rate consumption blocks.
- In electronic format, provide the number of **active** sewer connections by **customer class** by month from FY 2022 to the most recent available month.
- In electronic format, please provide sewer volumes billed by **customer class** by month for **active** sewer connections from FY 2022 to the most recent available month

Data and Information Assessment

Once the City has submitted the initially requested data, the data will be reviewed for discussion during the project kickoff meeting. Throughout the course of the project, data received by the Project Team will be sampled and tested for accuracy. The sampling and testing of data are imperative in regard to the billing data used to set rates. In all our rate study engagements, NewGen conducts a thorough review and testing of the billing data queries provided by our clients. It is essential in the development of proper cost allocations and reliable revenue projections that the billing data be as accurate as possible. NewGen will work closely with the City's billing staff and/or software provider to extract the appropriate billing data.

In addition, as necessary, the Project Team will conduct informal interviews with City staff during our review of the historical data to ensure that the Project Team understands the information provided. If

any of the data necessary to conduct the Study is unavailable, the Project Team will use its extensive prior experience to work with City staff to develop assumptions or surrogate data to fulfill the needs of the Study.

Project Kickoff Meeting

After at least receiving a core proportion of the initially requested data, the Project Team will work with the City to schedule a kickoff meeting. The primary purposes for the kickoff meeting are to allow the key Project Team consultants and participants from the City to be introduced and lay the general framework for how the Study will be conducted. This meeting will also allow for the finalization of the proposed work approach, as well as discuss and clarify the information analyzed in Task 1.2.

In addition, the project kickoff meeting will allow the Project Team to gain a better understanding of the goals and objectives, as well as the expectations the City desires to achieve from the Study. As part of the kickoff meeting, the Project Team members would also intend to discuss:

- Political and customer views/opinions of the current rates;
- Capital/operational demand changes anticipated over the Study's forecasted period;
- Initial rate design pricing objectives; and
- Initial strategies for implementing/communicating possible rate changes.

Weekly Status Updates

In order to keep the City informed as the project progresses, NewGen will provide brief status updates on the project on a weekly basis.

Task 1.2 – Cost of Service Analysis

Determination of Test-Year Revenue Requirement

NewGen takes great pride in the robust nature of our models. They reflect the proper balance between ease-of-use and comprehensive rigor, as desired by our clients. They can be flexible enough to easily expand to accommodate new line items or whole departmental budgets, without losing accuracy or integrity. We will work with City staff to ensure the architecture of the City's rate model reflects the needs of the City.

The revenue requirement embedded within in the rate model will be developed for the water and sewer utilities using the American Water Works Association (AWWA) accepted cash needs approach, unless otherwise requested by the City. The cash needs approach closely follows municipal budgeting practices and incorporates a utility's operation and maintenance costs, debt service and bond coverage requirement, cash funded capital outlays, reserve requirement, and transfers.

In developing the revenue requirement, the Project Team will assess and project each utility's cost of service by analyzing each utility's historical costs, the current budget year, any forecasts made for future FYs, as well as any debt service ratio or bond covenant requirement. The Project Team will develop a test year cost of service for each utility. A "test year" is a common term in rate studies that refers to an

adjusted FY cost that will be used as a basis for setting rates. The test year cost of service will be adjusted by non-rate revenue sources to develop the test-year revenue required from utility rates.

Determination of Realizable Revenue at Current Rates

The results of this task will provide the data to properly evaluate the cost of service, the magnitude of overall increases, if any, and the probability of redistribution of revenue responsibility between customer classes. This will also provide the Project Team with the ability to compare the actual cost to provide utility service with the anticipated billed revenues of the utility. In the revenue determination, adjustments will be made to the historical billing data to reflect normalized weather conditions and usage. This task will also provide a “check” of the data provided by City staff and confirm the model is operating correctly.

Revenue Requirement Forecast

The Project Team will develop a 5-year revenue requirement forecast. As necessary, interviews with City staff may be conducted to gather additional data to complete this task. During this task, it is crucial to thoroughly analyze the assumptions used in projecting the revenue requirement. These assumptions may include, but may not be limited to, growth rate, inflation rates, regulatory changes, conservation, increase in contractual obligations, and capital improvements. These assumptions will be supported by standard industry forecasting practices and available indices.

The Project Team will work closely with City staff to examine the City’s planned method of financing (e.g., cash, debt, grants, etc.) future capital improvements and the financing methods’ impact on retail rates, operating and capital reserve targets, and debt coverage requirement.

All of these metrics will be built into the rate model for ease of evaluation by City staff in the future. Any anticipated operational and/or staffing changes over the five-year forecast will be incorporated. The five-year revenue requirement will serve as the basis for the development of the financing plan to meet projected capital improvement expenditures, while balancing the rate impacts.



Functionalization of Revenue Requirement

Functionalization is the process of grouping costs based on the function, or type, of service provided. Discussions will be held with City staff to understand the types of services that are provided by the City (e.g., irrigation only accounts), and what system information is available from the City to determine the appropriate functional cost categories to be utilized in the model.

Classification of Revenue Requirement

After the development of the functionalized costs, costs are classified into the components of utility service that are provided. Again, this functionality will be built into the rate model so that it is easy for

City staff to evaluate going forward. For the water utility, it is proposed that costs be classified using the AWWA accepted Base Extra-Capacity method, where costs are classified as base, extra-capacity, and customer related. For the sewer utility, it is proposed that costs be classified using the Water Environmental Federation (WEF) recognized flow, Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), and customer parameters, assuming the City wishes to consider an industrial strength sewer surcharge.

It should be noted that these are our proposed classification methods. Discussions will be held with City staff before the finalization of the agreement between the City and NewGen to determine the appropriate classification methods to utilize in recognition of the City's objectives as well as available system and billing data.

Allocation of Revenue Requirement

One of the most important considerations in the setting of fair and equitable rates for utility service is the establishment of the appropriate grouping of customers (i.e., customer classes for cost distribution after costs are classified). Generally, a customer class should only include those customers who: (a) are in a similar location in relation to the utility; (b) use the same or similar service from the utility; and (c) place similar demands upon the utility. As part of the City's request, the Project Team will analyze the usage patterns of the presently defined customer classes in the above context and evaluate whether a new classification of customers or amendment to the current classification would be recommended.

Costs within each utility will be allocated to the selected customer classes based on each customer class's level of service provided by the City. It is imperative that the factors that form the basis of costs incurred by the City to provide continuous and adequate service to its customers be appropriately identified. This identification requires a thorough understanding of the influencing conditions controlling the design and/or actual operation of a system. These include normal and peak demands based on variations in weather conditions. Members of the Project Team are thoroughly versed in appropriately identifying these costs and are recognized experts before the State of Texas's rate regulatory agencies. The factors for the allocation of costs to the customer classes will be dependent on the billing data and system information available from the City. This will be incorporated into the rate model for easy evaluation by the City.

After the forecasted revenue requirement is allocated to the customer classes this will provide the City with the magnitude of the potential rate adjustments needed for each customer class.

Task 1.3 – Rate Design

In the formulation of a rate design plan, a clear and distinct understanding of the City's overall goals and objectives should serve as the foundation for the development of options since rate design enables the utility to meet its service pricing objectives. Pricing objectives could include, but would not be limited to:

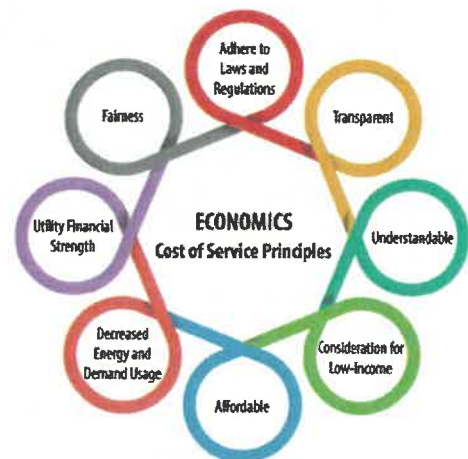
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- Cost of Service Recovery
- Revenue Stability
- Affordability
- Equity
- Ease of Administration
- Regional Competitive Position
- Compatibility with City's Utility Billing System
- Conservation
- Economic Development

Members of the Project Team will discuss with City staff the potential rate design alternatives that meet the City's pricing goals and objectives. From these discussions, the Project Team will develop defensible rate structures that are reflective of industry accepted practices and procedures and rate regulations within the State of Texas, and which balance the recovery of revenue between base rates and volumetric rates on an equitable basis. This will be incorporated into the rate model for easy update by City staff going forward. NewGen will offer up to three rate structure alternative scenarios reflecting varying degrees of progressive volumetric water rates for the City's consideration.

Determination of Realizable Revenue at Proposed Rates

The Project Team will analyze and compare the revenues forecasted to be generated under designed rate structures, by customer class, to the forecasted cost of service to determine the adequacy of the designed rate structures to meet the City's financial goals, including bond coverage requirements and operating and capital reserves. To the extent the designed rates are projected to be inadequate, appropriate rate adjustments for each class will be calculated. In the revenue determination, adjustments will be made to the historical billing data to reflect normalized weather conditions and usage. Also, the model will automatically calculate the impact on sample monthly bills based on the current and designed rate structures.



Rate Comparison Review

The Project Team will compare the City's current and proposed utility rates to utility rates of municipal utilities of similar size, demographics, and operational characteristics so as to provide an estimation of the City's comparable and competitive position. The development of strategies to communicate any significant rate adjustments, as needed, will be discussed.

Task 1.4 – Reports, Final Presentation and Model Training

The Project Team will develop a draft report summarizing findings, conclusions, and recommendations of the Study. The report will include all methodologies, assumptions, and calculations, as well as a background section that includes all data used in the determinations made in the Study. The Project Team is committed to ensuring that the City thoroughly understands the recommendations in the draft report and will be available to discuss findings, answer questions, and receive input. The Project Team will ensure that City staff have sufficient time to address their concerns and/or questions prior to finalizing the report.

Final Report Preparation and Presentation

Upon receipt of the City staff's comments, the Project Team will make appropriate changes and provide the City with the final report. Either before or after completion of the final report, at the City's preference, the Project Team will assist the City in the presentation of the results of the water and sewer rate study to various stakeholders, including presenting the Study's findings, conclusions, and recommendations to the City Council. NewGen is currently projecting 3 in-person meetings which include a kickoff meeting and 2 presentations to City Council, 1 which will be a workshop, and we assume these presentations will be done for water, wastewater, and solid waste concurrently, rather than separate meetings for each.

NewGen will discuss with City staff the format of the power point presentation that will be prepared for the City Council. Our Project Managers and Project Leads have extensive backgrounds in the presentation of findings resulting from water, sewer, and solid waste rate studies to city councils, utility boards, etc. They will bring that experience to the development of the draft and final power point presentations, as well as the presentation of the findings to the City Council.

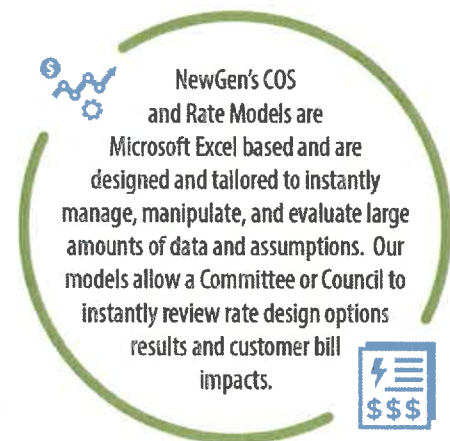
Finalization of Model and Training Session

The development of the financial forecasting and rate model will occur throughout the course of the project. Once the project has been finalized, the Project Team will train City staff on the use of the model.

NewGen prides itself in developing user-friendly models which are specific to, and reflect the unique operational characteristics of, each client. While our Project Team utilizes standard best practices in developing rate models, each model we develop is unique and does not reflect a "canned" or "off-the-shelf" product. Given the unique nature of each of our clients, we believe it is important that the product produced as part of a rate Study also be unique and reflective of our client's overall goals and objectives.

The model provided to the City will be built in a version of Microsoft Excel compatible with the City's IT systems. Within the model itself, the user guide will be built-in so as to ensure that a user has immediate and constant access to instructions on the model's functions. All assumptions will be presented in blue font and all calculations/results presented in black font so the user is aware of fields that can be amended. Additionally, if desired, the model can be provided in a fully protected version so as to limit adjustments to defined user input fields. This would prevent a user from accidentally changing a permanent function or formula in the model.

The City's model will allow staff to run "what-if" scenarios including, but not limited to, changes in departments or operations; operating or capital costs; customer and volume growth or decline; consumption patterns; debt service structure; inflation; capital project financing; and funding sources. The model will allow the user to assess the impact various scenarios will have on a typical monthly bill for each class of customer. The model will also generate financial statistics such as debt coverage ratios and average dollar and percentage changes in rates for each customer class. Pre-defined graphical presentations of consumption, revenue and expense data will also be provided in the user dashboard.



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To ensure the model is fully useable by City staff, the Project Team will conduct a hands-on training session with key model stakeholders and will discuss every worksheet within the model and fully demonstrate its functionality. As evidence of our commitment to the City, the Project Team also agrees to provide remote technical support on the model's functions and capabilities for a full year following the Study at no extra charge.

The following graphic represents a sample dashboard where high-level rate and debt scenarios can be evaluated against key performance indicators defined by the City.

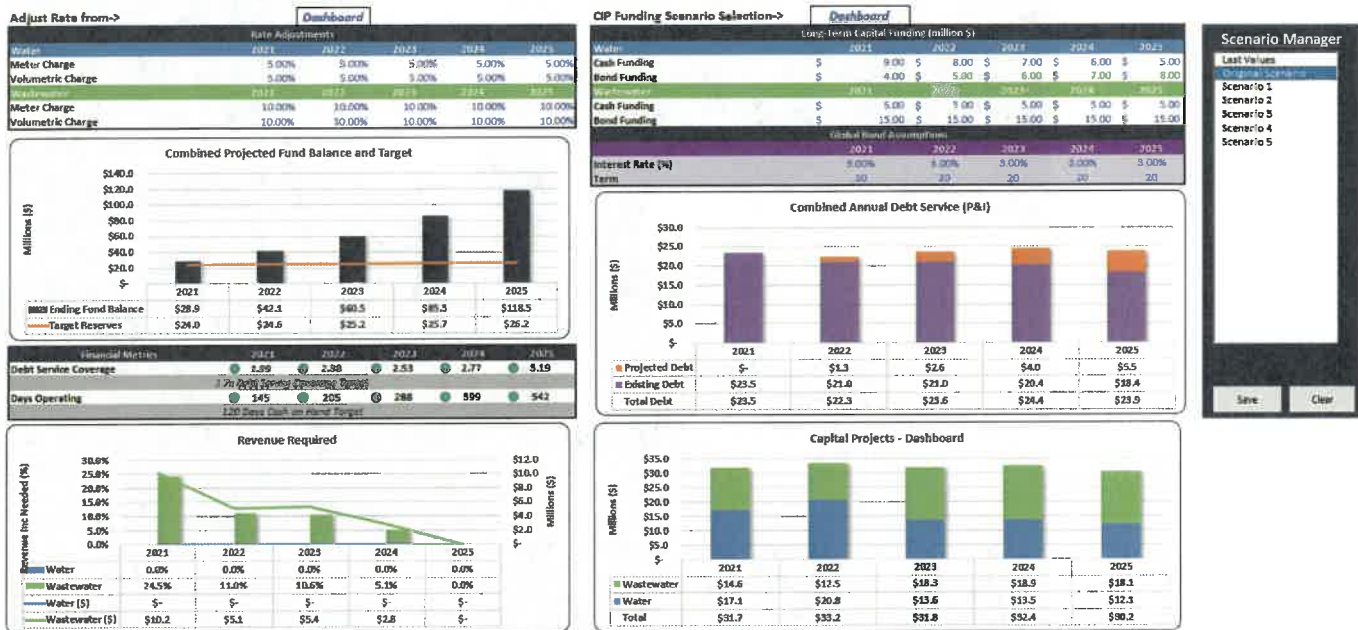


Exhibit 2. Example Model Dashboard

CERTIFICATION

Richard Campbell is entitled to represent NewGen Strategies and Solutions, LLC, empowered to submit the proposal, and authorized to sign a contract.



APPENDIX A: PROJECT TEAM RESUMES

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**UTILITIES PROFESSIONAL SERVICES WATER
AND SANITARY SEWER COST OF SERVICE,
RATE AND DEBT CAPACITY STUDY**



Richard Campbell

Managing Director – Water Practice

CONTACT

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rcampbell@newgenstrategies.net
www.newgenstrategies.net

EDUCATION

Bachelor of Science, Electrical
Engineering, University of Central Florida

United States Naval Nuclear Power
Program

PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS/COMMITTEES

AWWA's National Rates and Charges
Committee

Finance, Accounting and Management
Committee

KEY EXPERTISE

Asset Planning and Management

Cost of Service and Rate Design

Economic Feasibility Studies

Financial Modeling

Valuation Studies

Mr. Richard Campbell with over 36 years of experience in the industry, previously serving as the Financial Services Director of Freese and Nichols. He has led several complex electric, natural gas, and water/wastewater utilities projects. Mr. Campbell is an expert in a full range of utility finance issues, including debt issuance support (revenue bond feasibility); valuation studies for acquisitions and mergers; alternative capital financing analyses; economic feasibility studies; wholesale and retail ratemaking/cost of service; impact fee/system development fee analysis; asset planning and asset management; development of renewal and replacement programs; and strategic and business planning.

PRIOR RELEVANT EXPERIENCE

Cost of Service and Rate Design Study

Mr. Campbell has led and assisted with financial evaluations for water, wastewater, stormwater, and sewer utilities to safeguard their financial integrity through comprehensive cost of service analyses, including wholesale services. Mr. Campbell has participated in water, wastewater, stormwater, and/or sewer cost of service and rate design studies for the following entities, to name a few:

- Allegheny County Sanitary Authority
- City of Brownsville, TX
- City of Columbia, SC
- City of Dallas, TX
- City of Duncan, OK
- City of Garland, TX
- City of Grand Prairie, TX
- City of High Point, NC
- City of Lawton, OK
- City of Pittsboro, NC
- City of Raleigh, NC
- City of Round Rock, TX
- City of Siler City, NC
- City of Stephenville, TX
- Fort Worth Water
- Jacksonville Electric Authority
- Miami-Dade County Water and Sewer Department
- NBU, New Braunfels, TX
- San Antonio Water System

Impact Fee Analysis/Study

Mr. Campbell has led or assisted in impact fee analysis to assist communities in setting the most appropriate fee amounts using a more comprehensive credit calculation. His clients include:

- City of Brownsville, TX
- City of Columbia, SC
- City of Irving, TX
- City of Shreveport, LA
- City of Wilmer, TX
- Fort Worth Water
- Jacksonville Electric Authority
- New Braunfels Utilities, TX

Richard Campbell

Managing Director – Water Practice

Other Projects

Mr. Campbell has also led other projects, including:

Revenue Bond Feasibility Report – City of High Point, NC

Mr. Campbell served as the Project Manager for multiple bond feasibility studies in 2004, 2006, 2008, 2010, and 2014 for the City of High Point for inclusion into official statements for Revenue Bond issuances totaling greater than \$176 million to fund water and sewer capital improvements.

Water and Sewer Revenue Bond Issuance, Consulting Engineer's Report – Miami-Dade County Water and Sewer Authority

In 2017, the Miami-Dade County WASD issued Revenue Bonds totaling \$929,380,000. Mr. Campbell was the Project Manager responsible for developing the required issuance of a Consulting Engineer's Report and the associated financial feasibility study. Based upon the requirements of existing bond ordinances, the Water and Sewer Department must have the system inspected, in its entirety, every three years. Arcadis performed this work, and the results are incorporated as a part of the CE report for inclusion in the bond issuance official statement, as are the results of the feasibility study, which attests to the financial well-being of the system and its ability to meet the needs of its customers and the additional financial burdens of the new bond issue.

Wastewater Cost of Service Rate Study, Financial Forecast and Wet Weather Plan Feasibility Analysis – Allegheny County Sanitary Authority

As Project Manager, Mr. Campbell was responsible for developing a detailed and comprehensive financial planning model to help the Allegheny County Sanitary Authority (ALCOSAN) determine the financial impact of eliminating sewer overflows from the 83 municipalities in its wastewater treatment service area. The model helped ALCOSAN compare multiple capital spending scenarios associated with various Wet Weather Plan options, cash financed capital, bond issuances, and rate increases over a 30-year forecast period. Mr. Campbell was also responsible for developing a cost of service and rate design model that helped ALCOSAN determine the cost of providing service to its customers and various rate design options that would enable them to recover these costs through user rates.

Inside-Outside City Rate Differential Study – City of Fort Worth, TX

Mr. Campbell served as Project Manager for a water/wastewater Inside-City/Outside-City rate differential study to determine fair and equitable rates applicable to outside-city customers. This process required a cost-of-service evaluation to allocate proper costs to various rate classes based on a pre-determined test.

Asset Management Study – City of Garland, TX

Mr. Campbell served as Project Manager in working with the City to evaluate its wastewater facilities and develop an asset management program to assist in tracking and maintaining the records and database of the system assets.

Development of Stormwater Financial Model – City of Raleigh, NC

Mr. Campbell served as Project Manager and provided the City of Raleigh's Stormwater Department with an interactive, Windows-driven financial model to assist staff in budgeting and projecting expenditures and revenue needs and rate-setting capabilities. The process allowed staff to track operational targets and provided reporting capabilities for operations staff and upper-level management.

Stormwater Division Revenue Bond Feasibility Report – City of Raleigh, NC

Mr. Campbell served as Project Manager for a Revenue Bond feasibility study in 2008 for the City of Raleigh's Stormwater Division for inclusion into an official statement for a Revenue Bond issuance to fund capital improvements for the system.

Richard Campbell

Managing Director – Water Practice

Billing/Metering Conversion Analysis – City of Raleigh, NC

Mr. Campbell served as Project Manager/Client Coordinator for an analysis of the financial impact of switching current billing practices to operate every month from a bi-monthly basis. Included in this analysis was the potential impact on the system and its customers should the City pursue varying levels of improved technologies in the billing and metering processes.

Revenue Bond Feasibility Report – City of Raleigh, NC

Mr. Campbell served as Project Manager for multiple bond feasibility studies in 2006 and 2008 for the City of Raleigh for inclusion into official statements for Revenue Bond issuances totaling greater than \$410 million to fund water and sewer capital improvements, as well as for refunding of existing debt.

10-Year Capital Financing Analysis – City of Raleigh, NC

As Project Manager, Mr. Campbell provided the City of Raleigh with a financial analysis model that allowed the City to determine its current financial operational standing concerning its water and sewer utilities. The project also projected the impact on the City's financial position from proposed future Capital Projects and provided funding for these potential projects. This analysis model provided the City with a management tool that allows the City to consider several scenarios and test sensitivities for various growth scenarios and the timing and funding sources of anticipated capital projects.

Orlando Utilities Commission Evaluation of Regionalization Alternatives – City of Orlando, FL

Mr. Campbell served as Project Manager on the Evaluation of Regionalization Alternatives for the Orlando Utilities Commission (OUC), which focused on developing a regional plan for using reclaimed water to augment the withdrawal of groundwater by local water utilities. The analysis evaluated various system configurations relative to the City of Orlando's wastewater system to identify the most economically and fiscally prudent means of transporting 9.2MGD of reuse water to the Northwest Orange County area.

Financial Services – Laurens Commission of Public Works, SC

Mr. Campbell managed the development of a financial and rate analysis model for the electric, natural gas, water, and sewer utility operations of the Laurens Commission of Public Works (CPW) to assist the CPW Commission and staff in their ongoing evaluation of the present and projected financial status of the total CPW utility system operations and the stand-alone financial status of each of its four utility system operations. The model utilized recent historical and current budget data to project or forecast the cost of service or revenue requirements of each utility system operation for six years. The model results indicated the level of rate adjustments necessary to meet the total CPW revenue requirement and the cost-based revenue requirements of each utility system operation on a stand-alone basis. Since the CPW's operations and financial status are subject to scrutiny by outsiders who have a direct or indirect financial interest in the CPW's operations, annual revenue requirements are calculated based on both the minimum cash requirements established by the CPW's bond resolutions and rate ordinances and the regulated utility rate-base/rate-of-return method. The model also produced annual financial and operating ratios, which rating agencies rely on to evaluate the financial status of a municipal utility operation.



ANDY MCCARTNEY

Principal

CONTACT

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Richardson, TX 75080
amccartney@newgenstrategies.net
www.newgenstrategies.net

EDUCATION

Master of Business Administration,
Dallas Baptist University

Bachelor of Business Administration,
Texas A&M University

Bachelor of Science, University of Texas
at Arlington

Bachelor of Business Administration,
University of Texas at Arlington

KEY EXPERTISE

Capital Financing
Capital Planning
Contract Reviews
Cost of Service & Rate Design
Economic & Financial Analysis
Financial Forecasting & Modeling
Impact Fee Studies
Operations & Management Reviews
Project Management
Rate Design and Strategy
Stakeholder Engagement
Valuation & Litigation Support

Mr. Andy McCartney joined NewGen as a Principal in 2022. During his tenure, he has provided financial modeling, financial analyses, and data analytics support, primarily for NewGen's Environmental Practice. Mr. McCartney is a Certified Public Accountant (license #75842) and obtained an MBA in Finance & Accounting from Dallas Baptist University. Before joining NewGen, Mr. McCartney acquired over 30 years of experience in utility finance, cost of service, and rate design for Water, Wastewater, Stormwater, Solid Waste, and Electric Utilities.

RELEVANT EXPERIENCE

Cost of Service and Rate Design – Water & Wastewater

During his time at NewGen, Mr. McCartney has carried out analyses that have contributed to cost of service and rate studies for the following organizations:

- City of Anna, TX
- City of Georgetown, TX
- City of Keller, TX
- City of Lubbock, TX
- City of Tolar, TX
- City of Corpus Christi, TX
- Coachella Valley Water District
- Jacob & Martin, LLC – Millsap
- City of Venus, TX
- City of Glenn Heights, TX
- Tangipahoa Parish, LA
- Kimley-Horn – City of Fort Worth, TX
- City of Ballinger, TX
- Kimley-Horn – Denton Water Utilities
- Texarkana Water Utilities
- City of Glenn Heights, TX
- City of Post, TX
- Austin Water, TX
- Bois D'Arc MUD
- Austin Water
- Pointe Coupee Parish, LA

PRIOR RELEVANT EXPERIENCE

Below is a small sample of Mr. McCartney's work within the water and wastewater utility industry.

Fort Worth Water Department (Fort Worth, TX) – Retail Water/Wastewater Cost of Service and Rate Studies

Mr. McCartney determined the annual revenue requirements for a projected test year and adjusted debt service coverage requirements as directed by the City's Financial Policy. The annual revenue requirements were determined under the cash basis method and assigned to functional cost categories. Cost allocation to residential, commercial, irrigation, and industrial customer classes was based on their respective water values, wastewater loadings, system strength contributions, and charges under various developed rate structures. Mr. McCartney presented study results in Customer Advisory Committee meetings with representatives from each customer class.

ANDY MCCARTNEY

Principal

City of Burleson, TX – Water and Wastewater Cost of Service and Rate Study

The City of Burleson, Texas, a rapidly growing community south of Fort Worth, receives wholesale water and wastewater service from the Fort Worth Water Department. Mr. McCartney performed a comprehensive water and wastewater cost of service and rate study for the City, which included developing a conservation-based water rate structure and a wastewater rate adjustment for Fiscal Year 2009. The City Council approved the consultant team's recommended rate changes during the annual budget process. The team also created a user-friendly rate model and trained staff on use before model delivery.

Dallas Water Utilities (Dallas, TX) – Water Rate Structure Review

Mr. McCartney was the lead consultant for this retail water rate structure review. The objective was to obtain more significant conservation efforts through peak demand reduction while considering the ratemaking goals and objectives of the City. Options reviewed included:

- Seasonal rate structures.
- Adding one or more rate tiers to the existing retail water rate structures.
- A complete retail water rate structure redesign for several customer classes.

Factored into the recommendations were the SAP Utility Billing System and its constraints and providing revenue adequacy for the affected customer classes. The results and recommendations were presented to the Dallas City Council in a workshop setting and outlined in a formal letter report.

Fort Worth Water Department (Fort Worth, TX) – Wholesale Wastewater Cost-of-Service and Rate Study

Mr. McCartney determined the annual revenue requirements for a prospective test year based on the most recent actual historical costs, adjusted for known and measurable changes, for a wholesale wastewater cost of service and rate study. Annual revenue requirements were classified under the utility basis approach and assigned to functional cost categories (volume/capacity, BOD, TSS, metering) using a functional approach. The team allocated functionalized costs to approximately 26 wholesale customer entities based on their respective load and strength system contributions and developed charges under a four-part rate structure. Mr. McCartney presented results to the Wholesale Wastewater Advisory Subcommittee in a series of meetings and ultimately to the full Wholesale Advisory Committee.

Additional Clients

Note that this is not a comprehensive list of clients for which Mr. McCartney has conducted rate design studies, cost of service analysis, financial analysis, operational reviews, valuations, contract negotiations, etc.

- | | | |
|--|---|--|
| ▪ Brownsville Public Utilities Board, TX | ▪ City of Round Rock, TX | ▪ Pittsburg Water & Sewer Authority, PA |
| ▪ City of Dallas, TX | ▪ College Station Water Utilities, College Station, Texas | ▪ San Antonio Water System (San Antonio, TX) |
| ▪ City of Ennis, TX | ▪ Guadalupe-Blanco River Authority (Victoria County, TX) | ▪ Tampa Bay Water, FL |
| ▪ City of Hoover, AL | ▪ Irving Water Utilities (Irving, TX) | ▪ Tractebel Power, Inc. |
| ▪ City of Hudson Oaks, TX | ▪ City of Shreveport, LA | ▪ Tucson Water, AZ |
| ▪ City of La Joya, TX | | |
| ▪ City of Orange, TX | | |

ANDY MCCARTNEY

Principal

PRESENTATIONS

AWWA Utility Management Conference, 2019/2022

- *Coming Soon! A New System Development Charge Manual* (2022)
- *Re-Engineering Fort Worth Water's Fleet Management Process* (2019)

EUCI, 2017/2018/2019/2020/2021/2022/2023

- *Fundamentals of Cost of Service & Rate Design for Water Utilities*

Texas AWWA Conference, 2019

- *Lessons in Cat Herding: How Fort Worth Water Renegotiated a Uniform Wholesale Wastewater with 23 Customers*

Water Capital Finance Conference, 2018

- *Cash Reserve Policy Guidelines*

AWWA National Conference, 2018

- *Fort Worth Water's Cash Reserve Policy*

Texas American Water Works Association Seminars, Dallas, Houston & Austin, TX, 2011

- *Development of Revenue Requirements/Multi-Year Financial Plans*

PUBLICATIONS

- Co-Author of "New System Development Charge Manual." AWWA Journal Money Matters, October 2021
- Co-Author of "Cash Reserves Article." AWWA Journal Money Matters, April 2018
- Co-Author of "Technical Paper on Cash Reserve Policy Guidelines." American Water Works Association, February 2018

INDUSTRY SERVICE

AWWA Rates & Charges Committee

- Vice-Chair from 2018 to 2023
- Current Chair starting June 2023

Texas AWWA Rates & Charges Committee

- Vice-Chair from 2011 to 2013



CHRIS EKRUT

Chief Financial Officer

CONTACT

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EDUCATION

Master of Public Administration,
University of North Texas

Bachelor of Arts in Public Administration,
West Texas A&M University

PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS

Certified Rate of Return Analyst (CRRRA)
from the Society of Utility and Regulatory
Financial Analysts

KEY EXPERTISE

Cost of Service
Feasibility/Rate Impact Studies
Indirect Cost Allocation Studies
Litigation and Regulatory Support
Operations and Management Review
Rate Design
System Valuations
Utility Business Plans

Mr. Chris Ekrut is a founding Partner and Chief Financial Officer for NewGen. Mr. Ekrut has been providing consulting services since 2004, with the majority of his client-related projects focused on pricing services and developing rates and fees for utility systems, as well as supporting clients before regulatory agencies.

Mr. Ekrut is a recognized expert witness, having filed testimony regarding cost of service and rate design and providing litigation support and regulatory filing assistance before rate regulatory agencies. He has conducted numerous wholesale and retail water and wastewater rate studies, developed utility rate and fee models, and assisted in negotiations and litigation involving several wholesale service contracts. He also serves as an instructor for the national "Fundamentals of Water Cost of Service and Rate Design" class sponsored by EUCI and serves on the Faculty of the National Association of Regulatory Commissioners' (NARUC) Rate School. Mr. Ekrut was also recently accredited as a Certified Rate of Return Analyst by the Society of Utility and Regulatory Financial Analysts (SURFA).

RELEVANT EXPERIENCE

*Note that * indicates that multiple studies have been completed for that client.*

Utility Business Plans

- City of Blue Mound, TX
- City of Gainesville, TX
- Town of Prosper, TX

Operational Reviews

- Lower Colorado River Authority's (LCRA) Water and Wastewater Service Unit
- Brownsville Public Utilities Board

Indirect Cost Allocation Studies

- City of Allen, TX
- City of Brenham, TX
- City of Terrell, TX
- North Texas Municipal Water District

Wholesale and/or Retail Water, Reclaimed Water, Wastewater, and Drainage Cost of Service and Rate Design Studies

- Alliance Regional Water Authority
- Canyon Regional Water Authority *
- Cash Special Utility District
- City of Aledo, TX *
- City of Allen, TX *
- City of Amarillo, TX
- City of Aransas Pass, TX
- City of Bastrop, TX *
- City of Bay City, TX *
- City of Bedford, TX *
- City of Bellaire, TX
- City of Bellmead, TX *
- City of Blue Mound, TX *

CHRIS EKRUT

Chief Financial Officer

Wholesale and/or Retail Water, Reclaimed Water, Wastewater, and Drainage Cost of Service and Rate Design Studies (cont.)

- City of Bonham, TX *
- City of Bowie, TX
- City of Breckenridge, TX
- City of Brenham, TX *
- City of Brownfield, TX
- City of Burkburnett, TX *
- City of Burnet, TX *
- City of Carthage, TX
- City of Cedar Park, TX
- City of Celina, TX
- City of Childress, TX
- City of Cisco, TX
- City of Coleman, TX
- City of Colleyville, TX
- City of Decatur, TX
- City of Eunice, NM
- City of Farmersville, TX *
- City of Forest Hill, TX *
- City of Forney, TX
- City of Gainesville, TX *
- City of Gatesville, TX *
- City of Garland, Texas *
- City of Glenn Heights, TX *
- City of Godley, TX
- City of Graham, TX
- City of Grapevine, TX *
- City of Greenville, TX *
- City of Houston, TX
- City of Hudson Oaks, TX
- City of Idalou, TX
- City of Irving, TX *
- City of Jacksonville, TX *
- City of Jarrell, TX
- City of Lubbock, TX
- City of McGregor, TX *
- City of Mabank, TX
- City of Mansfield, TX *
- City of Marshall, TX
- City of Mexia, TX
- City of Mineral Wells, TX *
- City of Mount Pleasant, TX *
- City of Murphy, TX
- City of Odessa, TX *
- City of Olney, TX
- City of Paris, TX *
- City of Portland, TX
- City of Rhome, TX
- City of Roanoke, TX *
- City of Sanger, TX *
- City of Schertz, TX
- City of Seagoville, TX *
- City of Stamford, TX
- City of Temple, TX
- City of Terrell, TX
- City of Texarkana, TX
- City of Thornton, CO
- City of Tioga, TX
- City of Tyler, TX *
- City of Waco, TX *
- City of Weatherford, TX *
- City of Willow Park, TX *
- City of Wichita, KS
- City of Wolfforth, TX *
- Colorado River Municipal Water District
- County Line Special Utility District
- Maxwell Special Utility District
- Mustang Special Utility District*
- MSEC Enterprises
- Navajo Tribal Utility Authority
- North Texas Municipal Water District
- Northeast Texas Municipal Water District
- Nueces County Water Control and Improvement District No. 3
- Palo Pinto Municipal Water District No. 1
- Parker Special Utility District
- Pillan Income Asset Management
- Pittsburgh Water and Sewer Authority
- Possum Kingdom Water Supply Corporation
- Quadvest
- Riverbend Water Resources District *
- Sabine River Authority
- South Texas Water Authority *
- Timberon Water and Sanitation District
- Town of Addison, TX
- Town of Argyle, TX
- Town of Flower Mound, TX
- Town of Lakeside, TX *
- Town of Munster, IN
- Town of Pantego, TX
- Town of Prosper, TX *

CHRIS EKRUT

Chief Financial Officer

- City of Justin, TX *
- City of Killeen, TX *
- City of Kerrville, TX *
- City of Kilgore, TX
- City of Lancaster, TX*
- City of League City, TX*
- City of Lewisville, TX *
- City of Liberty Hill, TX
- Double Diamond Utilities Co. *
- Green Valley Special Utility District
- Hammond Sanitary District
- Johnson County Special Utility District *
- Marilee Special Utility District*
- Travis County Water Control and Improvement District No. 18
- Trophy Club Municipal Utility District No. 1 *
- Unity Water Solutions
- West Wise Special Utility District

Appraisals/Service Area Valuations/System Valuation/Sale, Transfer, Merger Engagements

- Aquilla Water Supply Corporation
- Cash Special Utility District
- Central States Water Resources *
- City of Blue Mound, TX
- City of Justin, TX
- City of Oak Point, TX
- City of Southmayd, TX
- City of Tyler, TX
- City of Waco, TX
- Cooper Empire *
- Double Diamond Utilities *
- Green Valley Special Utility District
- Guadalupe-Blanco River Authority
- Johnson County Special Utility District
- Kempner Water Supply Corporation
- Lennar Homes of Texas Land and Construction, LTD.
- Marilee Special Utility District *
- MSEC Enterprises
- Mustang Special Utility District *
- Private appraisals for individuals (Confidential)
- Redbird Development
- Riverbridge Ranch, LLC
- SIG Magnolia, LP
- Town of Lakeside, TX
- Water's Edge, LLC

Feasibility Studies/Rate Impact of Engineering Recommendations/Peer Review

- Bell County Water Control & Improvement District No. 1
- City of Forney, TX
- City of Garland, TX *
- City of Odessa, TX
- City of Waco, TX *
- McLennan County, TX
- North Texas Municipal Water District
- Town of Palm Beach, Florida (Electric Study)
- Town of Trophy Club, Town of Westlake, Trophy Club Municipal Utility District No. 1
- Upper Trinity Regional Water District

Rulemaking Regulatory Support

Mr. Ekrut provided Expert Assistance to the Office of Public Utility Counsel (OPUC) for the following PUC rulemaking projects.

- PUC Project No. 43871
- PUC Project No. 43876
- PUC Project No. 44462
- PUC Project No. 44706
- PUC Project No. 45113
- PUC Project No. 45118

CHRIS EKRUT

Chief Financial Officer

- PUC Project No. 43967
- PUC Project No. 45111
- PUC Project No. 45758

Gas Utility Experience

Mr. Ekrut provided litigation support in Texas Railroad Commission Docket No. 9670 – Petition for De Novo Review of the Reduction of the Gas Utility Rates of ATMOS Energy Corp., Mid-Tex Division. He also assisted the City of Brenham, Texas, in analyzing and amending their Gas Cost Adjustment Factor.

General Fund Studies

- City of Arlington, TX (Oil/Gas Well Emergency Fee)
- City of Bonham, TX (Ambulance Service Fee, Street Maintenance Fee)
- City of Burkburnett, TX (Planning and Development Fees)City of New Braunfels, TX (Planning and Development / Community Service Fees)
- City of Killeen, TX (Street Maintenance Fee)
- City of Waco, TX (Animal Services)

Solid Waste Experience

Mr. Ekrut has assisted with the following solid waste studies and efforts:

- City of Denton, TX (Municipal Solid Waste Operations Study)
- City of Peoria, AZ (Alternative Feasibility Study)
- North Central Texas Council of Governments (Mixed Recycling Facility (MRF) Study)
- Siemens Energy and Environmental Services (Waste Shed Analysis of the DFW Metroplex)

Electric Utility Experience

Mr. Ekrut has assisted the following entities with a variety of services including developing financial forecasting tools, developing retail user rates and fees, analyzing changes to Power Cost Recovery Factors, and assisting with regulatory filings including, but not limited, Earnings Monitoring Reports and Transmission Cost of Service filings.

- City of Austin, TX
- City of Burnet, TX
- Garland Power & Light
- City of Bastrop, TX
- City of Liberty, TX
- City of Brenham, TX
- City of Sanger, TX

Impact Fee/Capital Recovery Experience

Mr. Ekrut has assisted in developing Water, Wastewater, and/or Roadway Impact Fees for the following clients.

- Argyle Water Supply Corporation
- City of Bastrop, TX *
- City of Burnet, TX *
- City of College Station, TX
- City of Denton, TX *
- City of Flower Mound, TX *
- City of Frisco, TX *
- City of Ft. Worth, TX *
- City of Galveston, TX
- City of Garland, TX
- City of Glenn Heights, TX
- City of Godley, TX
- City of League City, TX
- City of McKinney, TX *
- City of Mesquite, TX
- City of Prairie View, TX
- City of Waco, TX
- City of Willow Park, TX
- Johnson County Special Utility District
- Nueces County Water Control and Improvement District No. 4
- Parker County Special Utility District
- Town of Wolfforth, TX

CHRIS EKRUT

Chief Financial Officer

Franchise Fee Experience

Mr. Ekrut has assisted in conducting reviews of franchise fee payments for the following clients.

- Payments made by Charter Communications to the Cities of Rockwall and Denton, Texas.
- Payments made by Oncor to a coalition of Cities within the State of Texas
- Gas and electric providers in Fayette County, Kentucky.

PRESENTATIONS

American Water Works Association, Texas Section

- *When, Water, Where, and Why – The Importance of Rate Studies in Utility Management* (April 2019)
- *That'll Be the Day that Water Rates Change in Lubbock* (April 2018)
- *Decimated by Data – Common Utility Billing Mistakes and the Impact on Water and Sewer Utilities* (April 2018)
- *Getting a Good Opinion: The Importance of Financial Policies and the Impact on a Utility's Credit Rating* (April 2016)
- *Business Planning and its Benefits to Municipal Utilities* (2008)
- *Canyon Regional Water Authority: The Strengths and Challenges of Regional Cooperation* (April 2023)

American Water Works Association, Utility Management Conference

- *Aledo, Texas – How a Small City Overcame a Capital Improvement Giant* (January 2015)

Forester University

- *Machine Learning Facilitated Stormwater Financing* (September 2020)

Government Finance Officers Association of Texas

- *Legislative and Regulatory Update for Water and Wastewater Utilities* (July 2016)
- *When in Drought! Utility Ratemaking 101* (April 2014)

Government Finance Officers Association of Texas (West Region)

- *To the PUC . . . and Beyond!* (November 2015)

National Association of State Utility Consumer Advocates

- *O&M Expense Analysis* (December 2023)

North Central Texas Council of Governments

- *Utility Management and Revenue Considerations; New and Emerging City Manager Roundtable and New and Emerging Finance Director Roundtable* (2014, 2015, 2016, 2017, and 2018)

South Plains Association of Governments

- *Water Rates and Pricing* (October 2022)

Texas Municipal League

- *Water and Sewer Business 101: A Guide to Balancing the Interests of your Business and Customers*

CHRIS EKRUT

Chief Financial Officer

Texas Municipal Utilities Association

- *Water Rate Affordability: Balancing Business Needs with a Customer's Ability to Pay* (February 2023)
- *Precision Pays: Common Mistakes to Avoid in Utility Billing* (February 2024)

Texas Water Conservation Association

- *Texas Water Development Board Water Conversation Best Management Practices Model: Estimating Water Conservation Savings for New Annual Reporting Requirements* (March 2014)
- *Strategies for Pricing Direct Water Reuse* (March 2013)

Texas Water Law Conference

- *Allocating the Costs of Population Growth in Wholesale Water Contracts* (January 2007)

PUBLICATIONS

Texas Town & City, 2009

- *Plan Your Work and Work Your Plan: The Benefits of Municipal Utility Business Planning* (October 2009)



GRANT RABON

Partner

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EDUCATION

Master of Business Administration,
University of Texas at Austin

Bachelor of Science in Chemical
Engineering, Texas A&M University

PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS/COMMITTEES

Accredited Senior Appraiser (ASA)
designation in Public Utilities from
American Society of Appraisers

KEY EXPERTISE

Cost of Service and Rate Design

Customer Advocacy and Engagement

Depreciation Studies

Financial Feasibility and Planning

Regulatory and Litigation Support

Utility Appraisals and Valuations

Since 2005, Mr. Rabon has managed electric, water, wastewater, natural gas, and solid waste utility projects designed to safeguard clients' financial integrity primarily through the performance of financial feasibility studies, depreciation studies, valuations/appraisals, or comprehensive cost of service analyses. His educational background facilitates a unique understanding of the financial implications of technical projects. Further, he is one of less than 20 individuals in the nation with an Accredited Senior Appraiser designation in Public Utilities from the American Society of Appraisers.

RELEVANT EXPERIENCE

Cost of Service and Rate Design

Mr. Rabon has conducted numerous comprehensive cost of service and rate design studies. Rates designed as a result of these engagements equitably recover the cost of service and align with the utilities' goals, including special consideration for affordability and best practice rate structures. Stakeholder outreach and benchmarking analyses were typical tasks within these projects.

Key Projects

Austin Energy – Cost of Service and Testimony

Mr. Rabon conducted a comprehensive, unbundled cost of service analysis for the electric utility and designed equitable rates to achieve the City of Austin's goals. Efforts included improving fixed cost recovery while incentivizing conservation through a five-tier rate structure and supporting distributed generation, such as rooftop solar. Mr. Rabon filed direct testimony in 2012 on behalf of the City of Austin d/b/a Austin Energy at the Public Utility Commission of Texas in defense of the electric rates adopted by Austin City Council (PUC Docket No. 40627). In 2015, he conducted various analyses on issues of critical importance to Austin Energy, such as a financial reserves study and a review of small commercial rates. He also assisted Austin Energy staff in updating the cost of service and rate design, including extensive public involvement and stakeholder engagement intended to mimic a rate case at the Public Utility Commission of Texas. Mr. Rabon conducted another update to the comprehensive, unbundled cost of service analysis in 2022 that, among other changes, proposed redesigned residential rates and an update to the value of solar tariff. The 2022 update utilized a similar public involvement and stakeholder engagement process to mimic a rate case at the Public Utility Commission of Texas. City Council approved base rate increases in December 2022.

Austin Water – Cost of Service and Rate Design

Mr. Rabon conducted a comprehensive cost of service analysis for the water and wastewater utilities and designed equitable rates to achieve the City of Austin's goals. This included increased support for the reclaimed water program as well as the customer assistance program, which provides discounts qualifying low-income residential customers. As part of the rate review, NewGen participated in ten meetings with a Public Involvement Committee that included stakeholders representing residential customers, low-income customers, multi-family customers, industrial/large volume customers, building owners, the real estate

GRANT RABON

Partner

council, the University of Texas, and members of the Austin Water and Wastewater Commission. Rates resulting from this process were ultimately approved by Austin City Council as part of the FY 2025 Budget.

Lower Colorado River Authority – Wholesale Water Benchmarking and Rate Analysis

Mr. Rabon performed a benchmarking analysis to identify best practices among wholesale water entities nationwide, emphasizing innovative rate structures and water conservation efforts. He also conducted a long-term rate analysis to incorporate projected capital projects to expand the water supply over a 90-year horizon under various rate structures.

College Station – Electric Transmission Filing

Mr. Rabon conducted a comprehensive cost of service analysis for the transmission function and regulated rate filing with the Public Utility Commission of Texas, including developing all schedules, work papers, and testimony (PUC Docket No. 52728).

Greenville Electric Utility System (GEUS) – Electric Transmission Filing

Mr. Rabon performed a quality assurance review of a comprehensive cost of service analysis for the transmission function and regulated rate filing with the Public Utility Commission of Texas.

Texas Municipal Power Agency (TMPA) – Electric Transmission Filing

Mr. Rabon developed an interim regulated rate filing for the transmission function with the Public Utility Commission of Texas and filed direct testimony on behalf of TMPA (PUC Docket No. 51439).

Georgetown Electric Utility – Rate Projects

Mr. Rabon conducted a series of rate projects for the City of Georgetown, Texas, to improve cost recovery and equity. These efforts included redesigning the distributed generation rate tariff, evaluating a large contract customer load, and designing a new rate tariff for commercial “fast charging” plug-in electric vehicle charging stations.

Other Cost of Service and Rate Design Studies

Mr. Rabon conducted one or more comprehensive cost of service and rate design studies for the following entities:

- | | | |
|--|--|---|
| ▪ Abby Plantation Estates Sanitary Sewer Corporation, LA | ▪ City of Peoria, AZ | ▪ Kerrville Public Utility Board, TX |
| ▪ Aqua Water Supply Corp., TX | ▪ City of Pflugerville, TX City of Sealy, TX | ▪ Liberty City Water Supply Corporation, TX |
| ▪ Brownsville Public Utilities Board, TX | ▪ City of Sioux Falls, SD | ▪ Manville Water Supply Corporation, TX |
| ▪ Brushy Creek Municipal Utility District, TX | ▪ City of Stillwater, OK | ▪ National Water Infrastructure, LLC, LA |
| ▪ City of Athens, TX | ▪ City of Sugar Land, TX | ▪ North Slope Borough, AK |
| ▪ City of Borger, TX | ▪ City of Tempe, AZ | ▪ Peoples of Bastrop, LLC, LA |
| ▪ City of Bryan, TX | ▪ City of Temple, TX | ▪ Pima County, AZ |
| ▪ City of Del Rio, TX | ▪ City of Tucson, AZ | ▪ Rockett Special Utility District, TX |
| ▪ City of Greenville, TX | ▪ City of Vernon, CA | ▪ St. Tammany Parish, LA |
| ▪ City of Hobbs, NM | ▪ City of Weatherford, TX | |
| | ▪ City of West Lake Hills, TX | |

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- City of Las Cruces, NM
- City of Longview, TX
- City of Mount Vernon, TX
- City of New Braunfels, TX
- City of Nogales, AZ
- City of Olathe, KS
- Gonzales County Water Supply Corporation, TX
- Greater Ouachita Water Company, LA
- Levi Water Supply Corporation, TX
- Snohomish County, WA
- Town of Estes Park, CO
- Walker County Special Utility District, TX
- Wellborn Special Utility District, TX
- York County, SC

Financial Feasibility

Mr. Rabon has evaluated the financial feasibility of various projects through business case analyses and the development of financial models. One project included evaluating a proposed 20 million-gallon-per-day brackish groundwater desalination facility for the San Antonio Water System based on the relative capital and operational costs and total lifecycle costs under various project delivery options, including traditional DBB, DB, DBO, and a customized DBOOT. Another project included financial feasibility modeling to evaluate a proposed water source development for a municipal client.

Utility Appraisals and Valuations

Mr. Rabon has conducted valuations and fair market value appraisals to determine an indication of value for acquisitions/dispositions or to evaluate municipalization or privatization of utilities. His experience also includes service area valuations to assess compensation for decertification of areas covered by certificates of convenience and necessity.

Appraisals or Valuations

Mr. Rabon has conducted one or more appraisal or valuation studies of the following entities:

- Aqua Indiana, Inc. (a portion of the system)
- Aqua Texas, Inc. (a portion of the system)
- Bi-County Water Supply Corporation
- Brownsville Navigation District
- Carroll Water Company
- City of Janesville, WI landfill
- City of El Paso's Clint and McCombs Municipal Landfills
- City of Superior, WI Moccasin Mike Landfill
- Clear Water Estates Water System
- Forest Utilities, Inc.
- Greater Ouachita Water Company
- Guadalupe-Blanco River Authority
- Hermleigh Water Works
- Integra Water Texas, LLC
- Jarrell-Schwertner Water Supply Corporation
- Johnson County Special Utility District
- Kenwood Water System
- Lake Limestone Coves Water System
- Leon Springs Utility Company
- Pacific Gas and Electric's electric transmission and distribution system in San Francisco, CA
- Patterson Water Supply
- Pennichuck Corporation's water utility in the City of Nashua
- Rice Water Supply & Sewer Supply Corporation
- Rockett Special Utility District
- San Diego Gas & Electric's electric and gas distribution systems in the City of San Diego, CA
- Sharyland Water Supply Corporation

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- Commons Water Supply, Inc.
- Douglas Utility Company
- El Jardin Water Supply Corporation
- EnLink (a portion of a gas pipeline in Alexandria, LA)
- Esperanza Water Service Company
- Liberty City Water Supply Corporation
- Louisiana Land and Water Company
- North Orange Water and Sewer
- Mountain Peak Special Utility District
- Xcel Energy's electric distribution system in the City of Boulder, CO
- Utilities Investment Company, Inc. and UIC 13, LLC

Depreciation

Mr. Rabon has conducted comprehensive depreciation studies to establish appropriate utility depreciation rates, including benchmarking depreciation rates among peer utilities. Engagements include projects for the following entities:

- City of Fort Worth Water Department
- County of Kauai Department of Water
- CPS Energy
- Tri-State Generation and Transmission, Inc.

Regulatory and Litigation Support

In addition to the regulatory work associated with some of the projects previously mentioned, Mr. Rabon has also provided litigation support to his clients. This support includes a project calculating damages owed to three electric cooperatives and one municipally owned utility as part of a wholesale rate dispute with the Lower Colorado River Authority in Travis and Kerr County, Texas District Courts. Efforts incorporated recreating billing determinants and the development of a market access rate. (Cause No. D-1-GN-12-002156 and Cause No. 12-1001-B). In another project, Mr. Rabon calculated damages owed to a municipality in a contract dispute with its ERCOT Qualified Scheduling Entity. Finally, Mr. Rabon was a designated expert witness in a Louisiana utility condemnation case.

Customer Advocacy and Engagement

Mr. Rabon served as the residential rate advocate for Austin Water's water, reclaimed water, and wastewater cost of service and rate design study. He represented the interests of the residential customer class in the process, much like the Texas Office of Public Utility Counsel often does for regulated rate cases. To explain the process and solicit feedback on essential policy issues from residents, Mr. Rabon participated in a stakeholder engagement process and presented at a series of meetings with residential customer groups around the City. He also reviewed and critiqued Austin Water's prior comprehensive rate review, completed in 2009, and the validity of the methodologies employed therein. Finally, given that the Public Utility Commission of Texas could review any rates proposed by Austin Water, Mr. Rabon provided invaluable input on acceptable practices based on extensive prior work in this venue. He provided written comments on proposed changes to Austin Water's financial policies in a separate engagement.

Affordability

Mr. Rabon conducted a comprehensive benchmarking assessment of the affordability of water and wastewater service in Austin in 2018. NewGen engaged a subconsultant, Professor Manny Teodoro, to advise on this project. The study considered many aspects of providing water and wastewater service that ultimately impact the cost of providing service, including source of water supply, rate structure, social programs, commitment to conservation,

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and typical rainfall. The affordability of typical customer bills was also evaluated using a range of conventional and new metrics. Informed by these metrics, Austin Water established goals for itself to align its rates and assistance programs with its commitment to affordability. The metrics developed in the study will allow the City of Austin to track Austin Water's progress towards attaining its affordability goals over time.

TESTIMONY

Public Utility Commission of Texas

- Electric Rate Filing on behalf of Austin Energy – PUC Docket No. 40627
- Electric Transmission Rate Filing on behalf of the City of College Station – PUC Docket No. 52728
- Revenue Requirement and Cost Recovery Issues behalf of Windermere Oaks Water Supply Corporation – PUC Docket No. 50788
- Interim Electric Transmission Rate Filing on behalf Texas Municipal Power Agency – PUC Docket No. 51439

Louisiana Public Service Commission

- Wastewater Cost of Service Rate Filing on behalf of National Water Infrastructure – LPSC Docket No. U-36383
- Water Rate Filing on behalf of Peoples of Bastrop, LLC – LPSC Docket No. U-36836
- Water and Wastewater Rate Filing on behalf of Greater Ouachita Water Company – LPSC Docket No. U-34865
- Water and Wastewater Rate Filing on behalf of Greater Ouachita Water Company – LPSC Docket No. U-36716
- Wastewater Rate Filing on behalf of Abby Plantation Estates Sanitary Sewer Corporation – LPSC Docket No. U-36320

California Public Utilities Commission

- Fair Market Value Appraisal of a portion of the Pacific Gas and Electric system on behalf of the City and County of San Francisco – Docket No. P.21-07-012

Federal Energy Regulatory Commission

- Depreciation Rates on behalf of Tri-State Generation and Transmission Association, Inc. – Docket No. ER24-2171-000

PRESENTATIONS

Mr. Rabon has given various industry presentations focused on utility finances and rates.

Texas Rural Water Association Conferences

- *Financial Management & Fiduciary Responsibilities* (2022 and 2023)
- *CCN Decertification Compensation – What's Fair?* (2021)
- *Financial Management and Fiduciary Responsibilities* (2019)

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- *How to Structure Rates to Ensure a Successful Future for Your System* (2019)
- *Rates that Support Current and Future Needs* (2018)
- *Financial Planning and Tools* (2016)
- *Water Rates 101* (2015)
- *CCN Valuations: Financial Considerations Related to Decertification and Expedited Release* (2014)
- *Keeping Your System Financially Fit; Learn How to Set Good Water Rates* (2012)

American Water Works Association and Water Environmental Federation's Utility Management Conference

- *Austin Water Affordability Assessment* (2020)
- *Regionalization Efforts: A Louisiana Case Study* (2013)

National Rural Water Association Conferences

- *Small Water System Financing 101* (2019)
- *Rate Planning for a Sustainable System* (2018)

Texas Public Power Association Conferences

- *Communicating Rate Changes and Bill Transparency* (2024)
- *Effectively Managing Significant Rate Changes* (2019)
- *Is Change Coming?: Transmission Rate Filings at the Public Utility Commission* (2018)
- *Adapting to Distributed Generation* (2017)



MATTHEW GARRETT

Managing Director – Client Relations & Services

CONTACT

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Richardson, TX 75080
mgarrett@newgenstrategies.net
www.newgenstrategies.net

EDUCATION

Master of Business Administration,
University of Texas at Dallas

Bachelor of Business Administration in
Management, Texas A&M University

PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS/COMMITTEES

Certified Government Finance Officer
(CGFO #269), GFOAT

Texas Certified Public Manager (CPM),
Texas State University

GFOAT, Member, Serves on Ethics
Committee

TCMA, Member, Serves on Advocacy
Committee

KEY EXPERTISE

Cost of Service and Rate Design

General Government Management

Long-range Strategic and Financial
Business Planning

Priority-based Budgeting

Stakeholder Education and Engagement

Valuation and Litigation Support

RELEVANT EXPERIENCE

Cost of Service and Rate Design – Water, Wastewater, Natural Gas and Solid Waste

Mr. Garrett leads and assists with financial evaluations for water, wastewater, natural gas, and solid waste utilities to safeguard their financial integrity through comprehensive cost of service analyses, including wholesale services. Rates developed as a result of these engagements may equitably recover the full cost of service, including special consideration for affordability and best practice rate structures, or provide recommended rates in line with other prevailing rate-setting priorities of the governing body. He has assisted clients in developing appropriate rates and outlining proposed terms and conditions of a potential run-of-the-river raw water lease of its permitted but unused water rights. He also reviewed the wholesale cost of service and proposed rate studies. Mr. Garrett has participated in water, wastewater, natural gas, and/or solid waste cost of service and rate design studies for the following entities:

- City of Austin, TX
- City of Conroe, TX
- City of Fate, TX
- City of Forney, TX
- City of Heath, TX
- City of Hutto, TX
- City of Lancaster, TX
- City of Liberty Hill, TX
- City of Lubbock, TX
- City of Nacogdoches, TX
- City of Red Oak, TX
- City of Roanoke, TX
- City of Rockport, TX
- City of Victoria, TX
- City of Waco, TX
- City of Wylie, TX
- Lake Cities Municipal Utility Authority, TX
- Town of Argyle, TX
- Trophy Club Municipal Utility District, TX
- West Wise Special Utility District, TX

Stormwater

Mr. Garrett's stormwater experience includes evaluating the feasibility of a new utility, establishing stormwater as a standalone enterprise, financial planning for Master Plan efforts, fees in lieu of detention, rate studies, utility system

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implementation, and public engagement such as Town Hall style presentations to educate the communities he serves. Stormwater engagement clients include:

- City of Blue Mound, TX
- City of Boerne, TX
- City of Fair Oaks Ranch, TX
- City of Houston, TX
- City of Lewisville, TX
- City of Pflugerville, TX
- City of Prosper, TX
- City of Roanoke, TX
- City of San Antonio, TX
- City of Waco, TX
- City of White Settlement, TX

Impact Fee Analysis

Mr. Garrett has led or assisted in impact fee analysis to assist communities in setting the most appropriate fee amounts using a more comprehensive credit calculation. The maximum fee determination method employed is developed through a financial-based model. This method fully recognizes the requirements of Texas Local Government Code Chapter 395, including the recognition of cash and/or debt financing, interest earnings, fund balances, and applicable credits associated with ad valorem taxes or utility revenues. His clients include:

- Argyle Water Supply Corporation, TX
- City of Austin, TX
- City of Burnet, TX
- City of College Station, TX
- City of Denton, TX
- City of Flower Mound, TX
- City of Fort Worth, TX
- City of Galveston, TX
- City of Garland, TX
- City of Mesquite, TX
- City of Willow Park, TX
- Nueces County WCID #4, TX

Valuation

Mr. Garrett assists clients with reviewing and analyzing financial data and valuation to support appropriate compensation, acquisitions, and sales of assets or systems. He has determined appropriate compensation for acquiring a service area within a city's corporate limits and the fair value for a prospective service area acquisition. He also assisted a coalition of cities with reviewing cable franchise fees for appropriateness and identifying any additional revenues due to the cities. Furthermore, Mr. Garrett assisted a utility district with analyzing a city's offer to purchase the utility district and assisted a utility with the sale, transfer, and merger filing with the state public utility commission. His clients include:

- City of Heath, TX
- City of Waco, TX
- Coalition of Cities, Texas Franchise Fee Review
- Double Diamond Utilities, TX
- Mustang SUD, TX (6 PUC Dockets)
- Trophy Club Municipal Utility District No. 1, TX

Economic Analysis

Mr. Garrett has provided an economic impact analysis of a proposed reservoir based on a 45-year planning horizon and examined the projected economic impact of interbasin transfers of large volumes of raw water from less populated areas to more densely populated and growing communities. His economic analysis clients include:

- North Texas Municipal Water District, TX
- Sabine River Authority, TX

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General Fund and Other Utility Special Projects

Mr. Garrett has assisted in analyzing the General Fund and other utility special projects. Projects have included evaluating a transportation utility fee, ambulance fee/cost review, indirect cost allocations, multi-year billing system audits, and Masterplan financial assessments. He has also performed data analyses, purchasing, work order process mapping, and assisted with CCN amendments. Mr. Garrett has assisted with PUC rate applications and TWDB SWIFT funding applications. Additionally, he led a 10-year historical general fund expense and revenue Council presentation and tax proposition for public education. His clients include:

- City of Bonham, TX
- City of Roanoke, TX
- San Jacinto River Authority, TX
- City of Burkburnett, TX
- City of Terrell, TX
- U.S. Army; Huntsville, AL
- City of Denton, TX
- City of Waco, TX
- West Wise Special Utility District, TX
- Double Diamond Utilities, TX
- City of Wylie, TX
- City of Forney, TX
- Lake Cities Municipal Utility Authority, TX
- City of Killeen, TX
- City of Pittsburgh, PA

PRIOR RELEVANT EXPERIENCE

Town of Prosper, Texas – Finance Director

Mr. Garrett directed all aspects of the Town finances, including budget preparation and monitoring, financial reporting, creating fiscal transparency, debt issuance, purchasing, payroll administration, utility billing, collections, and cash management. He acted as an investment officer for the Town and chairman of the Town Council Finance Committee, forecasting future revenues and funds needed for appropriations. Mr. Garrett also coordinated with the Prosper Economic Development Corporation on various tax abatement/incentive offerings. He assisted Town department heads with IT solutions, including efficient system utilization, application software, and related hardware, and directed the Human Resources function.

Collin County, Texas – Senior Financial Analyst

Mr. Garret was responsible for budget preparation and reviewing 22 departments with combined expenditure budgets totaling \$72 million dollars. He introduced and applied performance-based budgeting techniques and regularly met with Department Heads and Elected Officials to discuss operational challenges and opportunities within their programs. Mr. Garrett also provided scheduled and ad hoc analyses, coordinated the Growth and Vision Task Force, and monitored legislation.

Collin County, Texas – Human Resources Supervisor

Mr. Garrett managed the Pay for Performance program for an organization with approximately 1,500 employees. He planned project schedules and implemented communications strategies while helping management set organizational metrics and individual objectives. Mr. Garrett built effective relationships with line management. He also deployed new HR solutions, such as performance-based pay and web-based timesheets, and automated and reengineered payroll and HR functions. Mr. Garrett audited the payroll system and acted as a liaison between HR and IT on joint projects.

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Managing Director – Client Relations & Services

PRESENTATIONS AND PANELS

Mr. Garrett has given presentations and participated in workshops for municipal government organizations. These activities have focused on municipal priority-based budgeting and utility ratemaking. Host organizations and the topics Mr. Garrett presented are displayed below.

Government Finance Officer Association of Texas, 2009/2014/2015

- *Utility Rate Making & Customer Service Two-Day Pre-Conference* (Spring 2015)
- *When in Drought! Utility Rate Making Part 1 –Revenue Requirements and Cost of Service* (Spring 2014)
- *When in Drought! Utility Rate Making Part 2 –Rate Structure and Design* (Spring 2014)
- *Ante Up: Rational Budget Reductions When You Are Short on Chips* (Spring 2009)

North Central Texas Council of Governments, 2014/2015/2016/2017

- *New and Emerging City Managers - Utility Management and Revenue Considerations* (2014, 2016)
- *New and Emerging Finance Directors Utility Management and Revenue Considerations* (2015, 2016, 2017)



ANDREA CAMPBELL

Consultant

CONTACT

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Richardson, Texas 75080
acampbell@newgenstrategies.net
www.newgenstrategies.net

EDUCATION

Bachelor of Science in Business
Management, University of Phoenix

KEY EXPERTISE

Cost of Service
Rate Design Studies

Ms. Andrea Campbell joined NewGen as a full-time Consultant in February 2024. A dynamic financial modeling specialist and strategic consultant, she excels at transforming data into actionable insights. Known for her analytical acumen and creative problem-solving, Ms. Campbell leverages robust financial models to help utility clients forecast operating expenses, capital requirements, debt service, and reserve funding over both short- and long-term horizons. She collaborates with project managers to develop sophisticated financial models based on industry-standard cost allocation methodologies. Ms. Campbell utilizes comprehensive data-driven analytics to support utility clients in making strategic decisions regarding operating, capital, debt service, and reserve planning. She advises utility clients on optimizing billing structures and project revenue streams through meticulous utility billing analyses and regional benchmarking.

RELEVANT EXPERIENCE

Cost of Service and Rate Design Studies (Water and Wastewater)

Ms. Campbell has provided expert financial insights and modeling expertise for a diverse range of utility clients, including local government and regional water supply corporations. Her responsibilities encompass building and analyzing models that enable clients to plan for current operational needs and long-term fiscal sustainability. Among her notable client engagements are projects for the following entities:

- Garland, TX
- Corpus Christi, TX
- RCH Water Supply Corporation
- Farmers Branch, TX
- Bastrop, TX
- Paris, TX
- Lewisville, TX
- Natchitoches, LA
- Fort Worth, TX
- Greenville, TX
- Irving, TX
- Seminole, TX
- Mansfield, TX
- Tyler, TX
- Lancaster, TX
- League City, TX
- Navajo Tribal Utility Authority
- Tangipahoa, LA
- St Bernard Parish, LA
- Jarrell, TX
- Argyle Water Supply Corporation
- Bartlett, TX
- Grand Prairie, TX
- Cedar Hill, TX
- Flower Mound, TX
- Forney, TX
- Mineral Wells, TX
- Murphy, TX
- Forney, TX
- Mineral Wells, TX
- Murphy, TX

ANDREA CAMPBELL

Consultant

- Nacogdoches, TX
- Princeton, TX
- Roanoke, TX
- Wilmer, TX
- KSA Engineers, Inc. (Cottonwood Shores, TX)
- Civitas Engineering Group, Inc. (Richmond, TX)
- Mabank, TX
- Pleasant Ridge, LA
- Prosper, TX
- Waco, TX

Water Supply Corporation Research

Beyond her direct project work, Ms. Campbell is actively engaged in extensive research on Water Supply Corporations. This research is instrumental in shaping an in-depth industry report that will provide strategic insights into forecasting future trends within the water supply sector. Her ongoing analysis combines rigorous data evaluation with current market trends, offering utility stakeholders a valuable perspective to drive sustainable, data-informed decisions.



THOMAS JEANSONNE

Consultant

CONTACT

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EDUCATION

Master of Business Administration,
Millsaps College Else School of
Management

Bachelor of Business Administration,
Millsaps College

KEY EXPERTISE

Utility Billing Analysis

Cost of Service & Rate Design

Mr. Thomas Jeansonne joined NewGen in May 2024 as a Consultant, providing financial analysis supporting water and wastewater cost of service, and rate design projects. In addition, he served as a financial analyst for Ochsner Health Systems in Louisiana providing strategic support for budget development and analysis, financial reporting, and operational analysis for three separate healthcare service lines. Mr. Jeansonne graduated in 2021 with a bachelor's degree in business administration with a concentration in finance from Millsaps College and obtained his MBA in 2022 from Millsaps College Else School of Management.

RELEVANT EXPERIENCE

Cost of Service and Rate Design Studies – Water and Wastewater

Mr. Jeansonne works with NewGen project managers to build financial models for utility clients. These models utilize industry-standard cost allocation methodologies and allow clients to project their systems' operating, capital, debt service, and reserve requirements on both a short- and long-term basis. Mr. Jeansonne provides expert utility billing analysis to project utility revenues properly, as well as Regional Billi Comparisons. Clients to whom he has provided these services include:

- Palmer, TX
- Irving, TX
- Garland, TX
- Bastrop, TX
- Paris, TX
- Kilgore, TX
- Magnolia, TX
- Fort Worth Water
- Bell County WCID #3
- Winnsboro, LA
- Victoria, TX
- Jarrell, TX
- Gatesville, TX
- Marshall, TX
- Grand Prairie, TX



Sean Henderson

Consultant

Mr. Sean Henderson joined NewGen as a full-time Consultant in October 2023. He has worked on several cost of service and rate design studies for water, wastewater, and municipal solid waste utilities, applying his financial modeling skills. Mr. Henderson's experience includes investment analysis, R programming, and Microsoft Excel modeling.

RELEVANT EXPERIENCE

Water and Wastewater Cost of Service and Rate Design Studies

Mr. Henderson works alongside NewGen project managers to build financial models for utility clients. These models utilize industry-standard methodologies for cost allocations and assist clients by forecasting their systems' operating costs, capital costs, debt service, and revenue requirements needed from service rates on short- and long-term timelines. Here are several clients in the water and wastewater utility sector that Mr. Henderson has provided services to:

- City of Ennis, TX
- City of Mount Vernon, TX
- Grey Forrest Utilities
- Manville Water Supply Corporation
- Peoples of Bastrop, LLC

Municipal Solid Waste Cost of Service and Rate Design Studies

Mr. Henderson constructs financial models for municipal solid waste utilities that forecast their cost of service and revenue requirements using cost allocations for the utilities' various service categories. These methods help forecast the rates needed for each service provided to cover costs needed for the utility and future capital needs. His municipal solid waste clients include:

- Ada County, ID
- City of Garland, TX
- City of Tucson, AZ
- City of Tyler, TX
- City of Waco, TX
- City of Weatherford, TX

CONTACT

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EDUCATION

Master of Business Administration,
International Business, Texas A&M
International University

Bachelor of Science, Engineering
Management, University of Arizona

PROFESSIONAL REGISTRATIONS/ CERTIFICATIONS/AWARDS

IBM Data Analyst Professional

KEY EXPERTISE

Business Analysis

Cost of Service and Rate Design

Data Analysis

Microsoft SQL Server, MySQL, RazorSQL,
Python and R programming

Project Management

This RFQ shall be governed by and construed in all respects according to the laws of the State of Texas.

Firm's Name: NewGen Strategies and Solutions, LLC

Authorized Signature: 

Print Name: Richard Campbell

Date: 6/17/25

Telephone: 972-528-7158

Fax: _____

E-Mail: rcampbell@newgenstrategies.net



NOTICE OF INTENT TO RESPOND

Firms interested in submitting a bid on RFQ NO. 25-010-06-20 as outlined in the specifications, should indicate their intention by signing, dating and returning the form to the email address below prior to June 16, 2025, so that they may receive any addendums to the specifications should the need arise.

City of San Juan
Attn: Lori A. Maldonado, Purchasing Agent
512 S. Nebraska Avenue, San Juan, Texas 78589
Phone: (956) 223-2204
lmaldonado@sjtx.us

Bidder: NewGen Strategies and Solutions, LLC

[Please print or type the full name of your proprietorship, partnership, corporation, or joint venture.*)

Contact Name: Richard Campbell Managing Director - Water Practice
[Please print or type name] [Title]

Address: 275 W. Campbell Rd, Ste. 440, Richardson, TX 75080
[Mailing]

[Street, if different]

Telephone: 972-528-7158
[Print or type telephone number]

Fax: N/A
[Print or type telephone number]

Email: rcampbell@newgenstrategies.net
[Print or type]

Signed Richard L Campbell
D775BCE708CF40F...

Printed Richard L Campbell

Date 6/12/2025



THANK YOU!



275 W. Campbell Road, Suite 440, Richardson, TX 75080
Phone: (972) 528-7158
Email: rcampbell@newgenstrategies.net
www.newgenstrategies.net



Mayor: Mario Garza
Mayor Pro-Tem: Marco “Markie” Villegas
Commissioners: Mario Cantu
Gilbert Garza
Jesus “Jesse” Ramirez

MEMORANDUM

Consideration and Action to Approve the Memorandum of Understanding (MOU) Between the City of San Juan Police Department Law Enforcement Emergency Regional Response Team (LEERRT) SWAT and the City of Weslaco Police Department. [Leandro Sifuentes, Chief of Police]

STAFF COMMENTS AND RECOMMENDATIONS:

Purpose:

To seek approval from the City Commission for a Memorandum of Understanding (MOU) between the City of San Juan Police Department and the City of Weslaco Police Department for joint operations under the City of San Juan Police **Law Enforcement Emergency Regional Response Team (LEERRT)**. Weslaco Police will commit to assigning a minimum of 2 members to LEERRT.

Background:

This MOU establishes a framework for interagency cooperation to enhance public safety during critical incidents, emergencies, and specialized law enforcement operations. It outlines shared protocols, operational procedures, and mutual support between the agencies to respond efficiently and effectively to situations that may exceed the capabilities.

Key Points:

- Promotes **interagency collaboration** for specialized police services.
- Supports **coordinated response** to high-risk incidents

Staff recommends approval of the MOU to formalize this collaborative effort and strengthen regional emergency response capabilities.

RECOMMENDATION:

Approve

PREPARED BY:

Leandro Sifuentes,
Chief of Police

APPROVED BY:

Tirso Garza, Interim City Manager

512 S. Nebraska Ave. • San Juan, Texas 78589-2649
Phone: (956)223-2200 • Fax: (956) 787-5978



MEMORANDUM OF UNDERSTANDING

FOR POLICE SERVICES BY AND BETWEEN

City of San Juan, Texas Police Department and City of Weslaco, Texas Police Department

This Memorandum of Understanding is being executed between the **City of San Juan, Texas Police Department** and the **City of Weslaco, Texas Police Department** to establish operating procedures for the **Law Enforcement Emergency Regional Response Team**. The agencies jointly and separately agree to abide by the terms and provisions of this Memorandum of Understanding and their respective operation procedures.

WHEREAS, it is in the best interest of the **City of San Juan Police Department** and **City of Weslaco Police Department** to provide for certain police services upon request; and

WHEREAS, the Texas Constitution provides authority for intergovernmental cooperation; and

WHEREAS, the two Cities may obtain more effective and efficient police services when their police officers cooperate with and assist each other in providing certain specialized police services;

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, the **City of San Juan Police Department (Law Enforcement Emergency Regional Response Team)** and the **City of Weslaco Police Department** agree as follows:

PURPOSE AND MISSION

The primary purpose of the **Law Enforcement Emergency Regional Response Team** is to provide a systematic approach to saving lives in accordance with the priorities of life and the specific standards set forth herein, in concert with the totality of circumstances presented. While life safety is a priority of the **Law Enforcement Emergency Regional Response Team**, the specific circumstances will dictate the level of force necessary to adequately protect the public and the officers involved.

Resolution of some incidents may require the specific application of various levels of force, up to and including, deadly force. The purpose of this Memorandum of Understanding is to formally adopt the procedures contained in the **Law Enforcement Emergency Regional Response Team Policies and Procedures**.

The mission of the LEERRT is to provide a professionally specialized trained team capable of responding to any critical incident and render the location and area safe utilizing special weapons and tactics. The **Law Enforcement Emergency Regional Response Team** recognizes the vulnerability of the people and communities located within the Region to loss of life and or serious injury due to acts of violence and/or threats of violence. These critical incidents, civil emergencies and disasters may present equipment and manpower requirements beyond the capacity of each individual Agency.

GENERAL AGREEMENTS

A. DEFINITIONS

The following terms are defined for use in this Agreement:

1. "Agency" means the Police Departments of **(City of San Juan, Tx)** and **(City of Weslaco, Tx)**.
2. "Requesting Agency" means an Agency requesting specialized emergency police services or assistance pursuant to this Agreement.
3. "Responding Agency" means an Agency providing specialized emergency police services or assistance pursuant to this Agreement, or an Agency that may be called upon to provide emergency services or assistance pursuant to this Agreement.
4. "Emergency police services and assistance" means personnel and equipment necessary for providing specialized emergency police protection and services in police matters involving a life-threatening situation, a situation in which there is grave danger of serious bodily harm to civilians and police officers, a situation involving critical incident that will require specialized personnel and equipment, or other similar civil disturbance.
5. "Jurisdiction" of the Agency shall be as follows:
 - a. **"(City of San Juan Police Department)"** means the corporate limits of said City.
 - b. **"(City of Weslaco Police Department)"** means the corporate limits of said City.
6. "Policies and procedures" means the policies and procedures adopted by the Agencies which set forth, among other things:
 - a. The persons in each Agency who are authorized to request specialized emergency police services or assistance from another Agency and the manner in which such requests are to be processed and approved.
 - b. The persons in each Agency who are authorized to approve requests for their police officers to provide specialized emergency police services or assistance in another Agency, and who are thus responsible for determining whether or not their Agency will respond, and if so, the number of personnel and the amount and type of equipment which will be provided.

B. POLICE SERVICES AND ASSISTANCE

The Chief of Police, or designee, shall be responsible for receiving requests for specialized emergency police services and assistance **(Law Enforcement Emergency Regional Response Team)** in accordance with the policies and procedures adopted by the Agencies. The manner in which Agencies shall request specialized emergency police services and assistance from other Agencies, and themselves respond to such requests, shall be as follows:

1. Any Agency, through its authorized personnel, may request specialized police emergency police services or assistance from other Agencies. **(Law Enforcement Emergency Regional Response Team)**.
2. The requesting Agency shall specify the type of specialized emergency police service or assistance, **(Law Enforcement Emergency Regional Response Team)** which is needed, and state the number of personnel and the amount and type of equipment, which are being requested.

3. The responding Agency shall make a reasonable effort to provide the specialized emergency police services or assistance **(Law Enforcement Emergency Regional Response Team)** requested pursuant to this Agreement, subject to its workload and availability of police officers at the time of the request, the nature and urgency of the request, and other such similar limiting factors. If it agrees to provide specialized emergency police services or assistance, the responding Agency shall, at its sole discretion, determine the number of personnel and the amount and type of equipment that will be provided.

4. The Agency which is requesting specialized emergency police services or assistance from other Agencies, and the types of specialized emergency police services and assistance **(Law Enforcement Emergency Regional Response Team)** which they are requesting are as follows:

a. The **(City of Weslaco Police Department)** hereby requests that the police department of **(City of San Juan, Texas Law Enforcement Emergency Regional Response Team)** provide specialized emergency police services and assistance in situations where they receive calls or other requests for specialized emergency police services and assistance from persons who would ordinarily be within the jurisdiction of the police department of **(City of Weslaco Police Department)**, or where the police officers or other personnel of said Agencies view circumstances indicating probable cause that there has been, is, or other rule or regulation within the jurisdiction of the police department of **(City of Weslaco Police Department)**.

C. POLICE AUTHORITY

Police officers and other personnel who are providing emergency police services and assistance within the jurisdiction of another Agency shall have the following police authority and power, and be subject to the following working procedures and measures:

1. When acting pursuant to this Agreement within the jurisdiction of the requesting Agency, police officers and other personnel of a responding Agency shall therein have the same police authority and power as police officers or other personnel of the requesting Agency.

2. The heads of the Agencies shall establish working procedures and measures as they deem necessary for the control and direction of police officers, personnel, and equipment that are acting within the jurisdiction of a requesting Agency pursuant to this Agreement; provided, however, that until such working procedures and measures are established, the police officers, personnel, and equipment of a responding Agency shall be subject to the direction and control of the Police Chief of the requesting Agency.

D. COMPOSITION AND COMMAND

The **(City of Weslaco Police Department)** agrees to assign a minimum of **two (2) designated Police Officers to the LEERT Team, to operate within the capacity of Tactical Operators.** Increases to the LEERT team by either agency may occur upon agreement by both participating agencies. Selection and dismissal of personnel to/from the LEERT Team will be in accordance with the provisions outlined in the LEERT Policies.

Each department reserves the right to make changes in its certified personnel assigned to the LEERT team by providing a thirty (30) day notice to the team Commander in writing. This will include the number of personnel assigned.

The LEERT will select all prospective members from a valid selection roster created through applicant testing. Criteria for application will be based on the following; time in service if a certain length, satisfactory job performance in present

and previous assignments, review of operator's attendance, performance and conduct, satisfactory physical fitness levels and a LEERRT specific, validated task-related tests.

The LEERRT team Commander and team leaders will be assigned by the Command and Control structure of the San Juan Police Department. The team commanders will have the responsibility for overall command and control, supervision, selection, training, assignments, call-outs, and equipment purchases and replacement for the team. Command of the LEERRT Team tactical operations shall rest with the Team Leaders assigned to the team until the critical incident has been resolved and the scene has been rendered safe.

E. POLICY AND DIRECTION

The policy and direction of the **Law Enforcement Emergency Regional Response Team** will be a joint responsibility of the participating agencies on the team and the San Juan Police Department in accordance with the policies and procedures of the LEERRT team.

F. INVESTIGATIVE GUIDELINES, PROCEDURES AND JURISDICTION

After the **Law Enforcement Emergency Regional Response Team** has responded and secured the critical incident, the agency with jurisdiction will be responsible for processing the crime scene. The LEERRT Team will assist when requested to the extent possible.

G. COOPERATION BETWEEN AGENCIES To the extent possible, all **Law Enforcement Emergency Regional Response Team** operations will be a joint activity, with no agency acting independently of the other agency. Agencies will operate in accordance with established guidelines under the Incident Command System and established protocol through the LEERRT policies.

H. TEAM ACTIVATION AND OPERATIONAL PROBLEMS

Team activations take precedence over all others assignments within the agencies assigned to the LEERRT. Team members from the various agencies assigned to the LEERRT become subordinate to the team Commander and/or team leaders. The Commander or Team Leaders will then take responsibility for the conduct of the activation. The personnel costs of training and activations shall be absorbed by each member agency as agreed upon in these MOU.

The LEERRT team is available, with the approval of the team Commander to any requesting law enforcement agency. When a request for the team is received it shall be immediately forward to the LEERRT Commander who will determine if in fact the situation warrants the activation of the team based on a standard threat matrix.

If the situation warrants the activation of the team, the Commander will request activation of the team. Once permission is granted the activation will follow standard procedures.

If any tactical operational problems are encountered, they will be mutually addressed and resolved by the **Law Enforcement Emergency Regional Response Team Command and Control Element**. Ideally, it is agreed that resolution of tactical operational problems will be resolved by the LEERRT Team. Any tactical operational problems not resolved at this level will be referred to the heads of the respective agencies on scene.

I. OPERATIONAL PROCEDURES

The **Law Enforcement Emergency Regional Response Team** in concert with this Memorandum of Understanding will report to the On-Scene Incident Commander and operate under their control in concert with the National Incident

Management System (NIMS) and/or Incident Command System (ICS) protocols. The **LEERRT** will respond to but not limited to the following types of incidents: Homeland Security related Missions (Border Security), Protection of Critical Infrastructure and Personnel, Terrorists Incidents, Hostage Rescue Operations, Response to Suicide & Homicide Bombers, Civil Disturbances, including Riots, Active Shooter Incidents, Hazardous Warrant Service, Operations in CBRNE environments, Barricaded Persons and in any event in which a member agencies tactical resources have been depleted.

J. EQUIPMENT

Equipment acquisition will occur jointly by the **Law Enforcement Emergency Regional Response Team**. The Command Staff will meet regularly, and answer to and provide updates on the following to the **LEERRT participating agencies**; Operational standards, Equipment acquisitions, personnel acquisitions, training activities, activations, after action summaries and regional grant funding concerns and opportunities. **Regional Grant monies will be used to purchase specialized equipment for the members and for the LEERRT team.**

In the event the LEERRT team is dissolved, an inventory of all equipment shall be made, and the equipment shall be returned to the purchasing department. Equipment will be stored in accordance with LEERRT Protocols. It is understood that from time to time, some equipment may need to be stored temporarily at other locations until such time that it can be moved to a regularly assigned location.

K. PRESS RELEASES

Press releases and/or the release of information to the media will be made by the agency that has jurisdiction where the event occurred in accordance with the releasing agencies established media release policy. No unilateral press releases will be made by any participant without the prior approval by the other participants. No information pertaining to the LEERRT team itself will be released to the media without the mutual approval of the team commander.

L. EVALUATION AND REVIEW

The **Law Enforcement Emergency Regional Response Team** will be evaluated on an annual basis by the police chiefs from each participating department who may make recommendations for improving the performance of the team.

M. LIABILITY

The statutes and case law of the State of Texas shall be used to establish the liability of the parties to this Agreement or for injuries caused to third parties. In the event of any injury to the person(s) or damaged to the property of the police officers or other personnel of a responding Agency, when acting pursuant to this Agreement within the jurisdiction of a requesting Agency, the governmental entity of the responding Agency shall be responsible for any damages from any liabilities arising out of such injury.

All damaged property claims; injury claims and/or use of force claims reported as a result of a tactical operation will be reviewed, investigated and evaluated by the Command and Control staff of the San Juan Police Department's legal department.

N. SEVERABILITY

If any provision of this Agreement is invalid for any reason, such as invalidation shall not render invalid other provisions of this Agreement that can be given effect without the invalid provision.

O. EFFECTIVE DATE

This Agreement shall be effective when duly executed by the authorized representatives of the **(City of San Juan, Texas Police Department (Law Enforcement Emergency Regional Response Team))** and the **(City of Weslaco, Texas Police Department)**.

P. AMENDMENT

This Agreement may be modified or amended by unanimous agreement of the **(City of San Juan Police Department (Law Enforcement Emergency Regional Response Team))** and the **(City of Weslaco Police Department)**.

Q. TERMINATION

This Agreement shall terminate, and shall have no force or effect, upon the passage by the **(City of San Police Department (Law Enforcement Emergency Regional Response Team))** and the **(City of Weslaco Police Department)** of an ordinance, resolution, or other document indicating withdrawal from this agreement.

R. GOVERNING LAW

This Agreement shall be construed in accordance with the laws and Constitution of the State of Texas.

S. CONFIDENTIALITY

In order to ensure the safety of all operators, all parties to the memorandum of understanding agree to adhere to the confidentiality expectations as outlined in the LEERT policies and procedures manual.

IN WITNESS WHEREOF, the City Council of **(City of San Juan, Texas)** and the City Council / Board of the **(City of Weslaco, Texas)** have authorized their representatives to execute this Agreement; and said representatives have caused this Agreement to be executed, and have attached herewith a copy of the ordinance, resolution, or other documents adopted by their respective governing body authorizing them to execute this Agreement.

It is agreed that this Memorandum of Understanding will remain in effect until further notice contingent upon agreement of the parties. This agreement may be terminated at any time by any participating agency delivering a written notice of termination to the other participating agency.

AGENCY A

Authorized Official: _____
Signature

Chief Leandro Sifuentes
Printed Name and Title

Agency: San Juan Police Department

Address: 301 E Ridge Rd San Juan, Tx 78589

Telephone(s): (956) 223-2400

AGENCY B

Authorized Official: _____
Signature

Chief Robert E. Lopez
Printed Name and Title

Agency: Weslaco Police Department

Address: 300 S Bridge Ave Weslaco, Tx 78596

Telephone(s): (956) 968-8591

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Consider Second and Final Reading of an Ordinance Regarding the Rezoning Request from Single Family Residence District (R-S) to General Business District (C-2) of the 5.00-Acre Tract of Land out of Lot 8, Block 5, John Closner Subdivision, Located Approximately 200 feet East of Veterans Boulevard, along the South side of Eldora Road, as Requested by People's Manufactured Homes. [Jorge J. Garcia, Director of Planning]

STAFF COMMENTS AND RECOMMENDATIONS:

At the City Commission Meeting on July 8, 2025, the City Commission approved the First Reading of the Ordinance as presented by staff.

Previously, staff provided the following background:

The applicant is requesting to rezone a 5.00-acre tract located approximately 200-feet East of Veterans Boulevard, along the South side of Eldora Road from residential to commercial. The property is 1,320' X 170'.

The surrounding uses around the property are: to the North of the property there is an existing residence, to the South a Drain Ditch. To the East a residence and to the West the property is vacant.

Staff mailed a notice of the public hearing to thirteen (13) neighboring property owners within the two-hundred (200) foot radius and received no comments in favor or against this request.

Staff recommends approval of the rezoning request.

RECOMMENDATION:

During their regular meeting on June 26, 2025, the Planning and Zoning Commission unanimously recommended approval of the rezoning request as presented with a 4-0 vote.

PREPARED BY:

Jorge Garcia,
Planning Director

APPROVED BY:

Tirso Garza, Interim City
Manager

EVALUATION AND CONDITIONS FOR APPROVAL

The applicant is requesting to rezone a 5.00-acre tract located approximately 200-feet East of Veterans Boulevard, along the South side of Eldora Road from residential to commercial. The property is 1,320' X 170'.

The surrounding uses around the property are, to the North of the property there is an existing residence, to the South a Drain Ditch. To the East a residence and to the West the property is vacant.

Staff mailed a notice of the public hearing to thirteen (13) neighboring property owners within the two hundred (200) foot radius and received no comments in favor or against this request.

Staff recommends approval of the rezoning request.



Proposed Site

REZONING REQUEST PEOPLE'S MANUFACTURED HOMES JULY 22, 2025

PAGE 2



Location Map

FINAL RESOLUTION OF REQUEST & COMMENTS:

P&Z – 06/26/2025 Vice Chair Castillo made a motion to approve the rezoning request as presented. Commissioner Salinas second the motion. The motion passed unanimously with a 4-0 vote.

REVIEW COMMENTS:

Ms. Gomez explained the location of the property and the request to change it from residential to commercial. She listed the uses around the property; to the north it is a residential subdivision (R.S.W. Subdivision, to the south there is a drain ditch and to the West an empty lot and to the East a residence. She mentioned that property has been used as commercial for many years and a commercial warehouse was built back in 2000. Notice of the public hearing was on the newspaper and letters were mailed out to thirteen (13) property owners and no comments were received in favor or against the request. Staff recommendation was for approval of the rezoning request as presented.

Chairwoman Cardenas opened the public hearing at 6:02 p.m.

No discussion took place on this item.

Chairwoman Cardenas closed the public hearing at 6:03 p.m.



ORDINANCE NO.

AN ORDINANCE AMENDING THE CITY OF SAN JUAN ZONING ORDINANCE NO. 98-006, TO CHANGE THE ZONING DISTRICT FROM SINGLE-FAMILY RESIDENCE DISTRICT (R-S) TO GENERAL BUSINESS DISTRICT (C-2) OF A PROPERTY LEGALLY DESCRIBED AS 5.00-ACRE TRACT OF LAND OUT OF LOT 8, BLOCK 5, JOHN CLOSNER SUBDIVISION, LOCATED APPROXIMATELY 200 FEET EAST OF VETERANS BOULEVARD, ALONG THE SOUTH SIDE OF ELDORA ROAD, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SAN JUAN, TEXAS:

Consistent with the City's land use plan as set-forth in the land use map that is a part of the City's Zoning Ordinance, and consistent with the City's intentions of allowing and encouraging commercial district development that generates property taxes, water and sewer revenues and sales tax revenues.

The zoning district of the property legally described as 5.00-acre tract of land out of Lot 8, Block 5, John Closner Subdivision, shall be changed to General Business District (C-2) and the zoning map shall be amended accordingly.

PASSED and **APPROVED** on first reading on the 8th day of July, 2025.

PASSED and **APPROVED** on second and final reading on the 22nd day of July, 2025.

CITY OF SAN JUAN

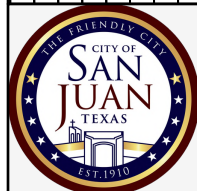
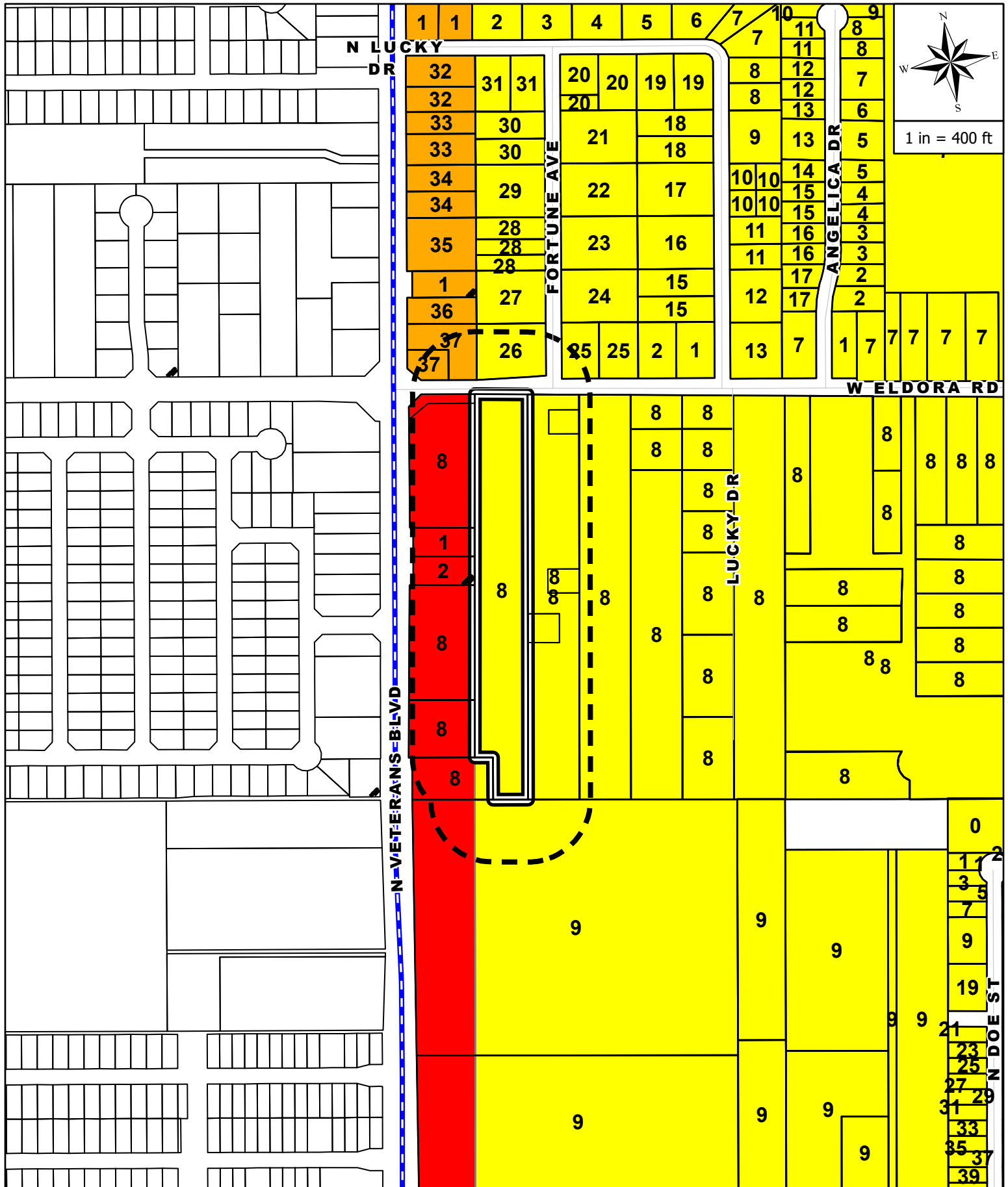
MARIO GARZA
MAYOR

ATTEST:

APPROVED BY:
Palacios, Garza & Thompson, P.C.

BRENDA ESCALANTE
CITY SECRETARY

CITY ATTORNEY



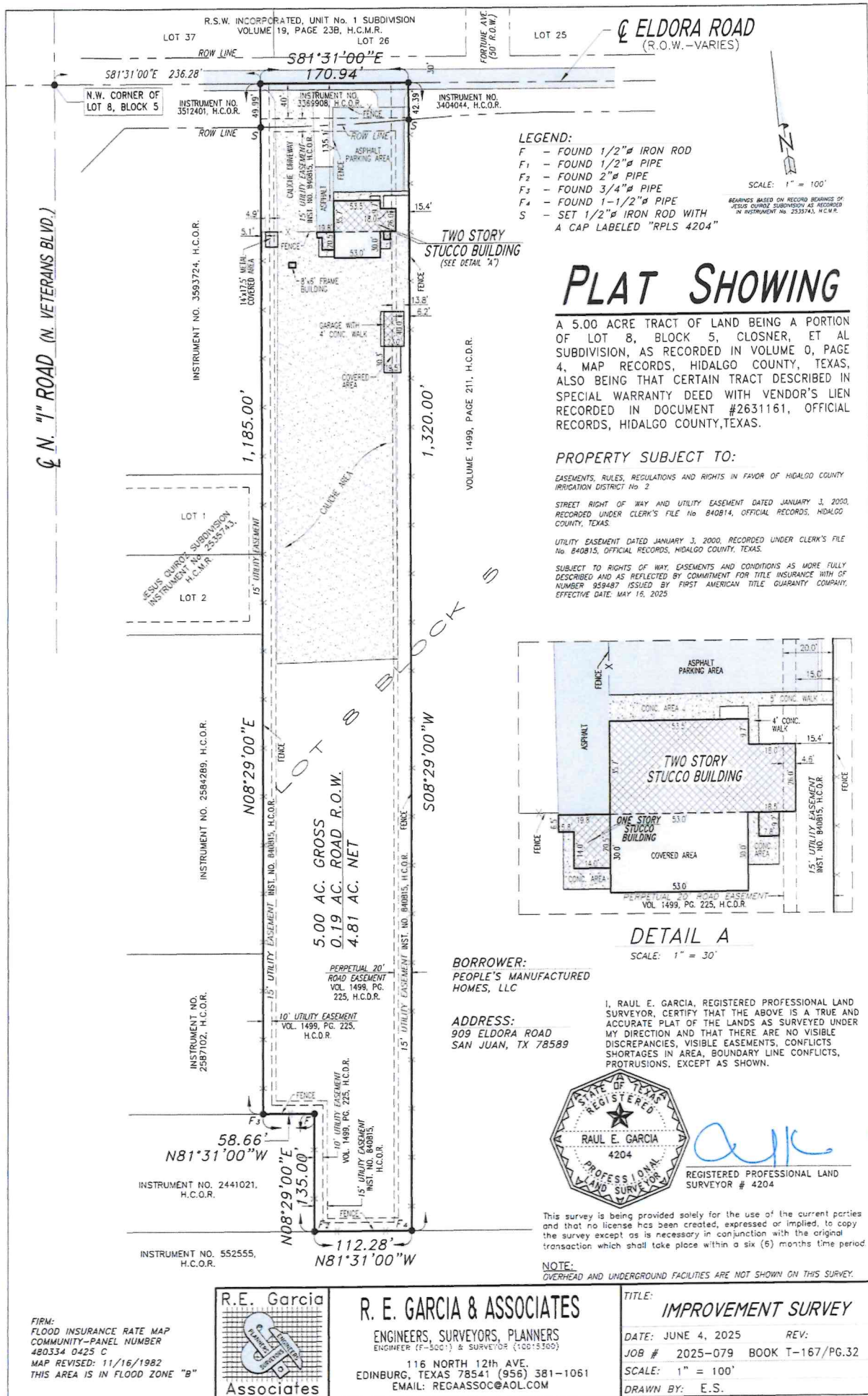
ZONING MAP

CASE ADDRESS:

909 W ELDORA RD

PEOPLE'S MANUFACTURED HOMES

LEGEND	
	CITY LIMITS
	NOTIFICATIONS
	SITE
	ZONING R-S
	C-1
	R-MH
	C-2
	C-3
	L-1
	I-2
	O
	EC
	I
	PUD



METES AND BOUNDS DESCRIPTION
FOR A
5.00 ACRE TRACT

A 5.00 acre tract of land being a portion of Lot 8, Block 5, Closner, et al Subdivision, as recorded in Volume 0, Page 4, Map Records, Hidalgo County, Texas, also being that certain tract described in Special Warranty Deed with Vendor's Lien recorded in Document #2631161, Official Records, Hidalgo County, Texas and being more fully described by metes and bounds as follows:

BEGINNING at a point on the centerline of Eldora Road being the north line of said Lot 8, Block 5, also being the northeast corner of that certain tract described in General Warranty Deed recorded in Document #3529083, Official Records, Hidalgo County, Texas, for the northwest corner of herein described tract. Said point bears S 81° 31' 00" E 236.28 feet from the northwest corner of said Lot 8, Block 8.

THENCE S 81° 31' 00" E 170.94 feet along said centerline of Eldora Road also being the north line of said Lot 8, Block 5, to a point being the northwest corner of that certain tract described in Correction Warranty Deed with Vendor's Lien recorded in Volume 1499, Page 211, Deed Records, Hidalgo County, Texas, for the northeast corner of herein described tract.

THENCE S 08° 29' 00" W along the west line of said north line of said tract described in Correction Warranty Deed with Vendor's Lien recorded in Volume 1499, Page 211, Deed Records, Hidalgo County, Texas, being parallel to the west line of said Lot 8, Block 5, pass at 42.39 feet a set one-half inch iron rod with a cap labeled "RPLS 4204" being the south Right-of-Way line of said Eldora as established by Judgement in Absence of Objections recorded in Document #3369908, Official Records, Hidalgo County, Texas and continuing for a total distance of 1,320.00 feet to a found one and one-half inch iron pipe on the south line of said Lot 8, Block 5, being the southwest corner of said tract described in Correction Warranty Deed with Vendor's Lien recorded in Volume 1499, Page 211, Deed Records, Hidalgo County, Texas, for the southeast corner of herein described tract.

THENCE N 81° 31' 00" W 112.28 feet along said south line of Lot 8, Block 5, to a found two inch iron pipe being the southeast corner of that certain tract described in Cash Warranty Deed recorded in Document # 2441021, Official Records, Hidalgo County, Texas, for the most easterly southwest corner of herein described tract.

THENCE N 08° 29' 00" E 135.00 feet along the east line of said tract described in Cash Warranty Deed recorded in Document # 2441021, Official Records, Hidalgo County, Texas, being parallel to the west line of said Lot 8, Block 5, to a found one-half inch iron rod being the northeast corner of said tract described in Cash Warranty Deed recorded in Document # 2441021, Official Records, Hidalgo County, Texas, for an interior corner of herein described tract.

THENCE N 81° 31' 00" W 58.66 feet along the north line of said tract described in Cash Warranty Deed recorded in Document # 2441021, Official Records, Hidalgo County, Texas, being parallel to the south line of said Lot 8, Block 5, to a found three-quarter inch iron pipe being the southeast corner of that certain tract described in Warranty Deed with Vendor's Lien recorded in Document # 2587102, Official Records, Hidalgo County, Texas, for the most westerly southwest corner of herein described tract.

THENCE N 08° 29' 00" E parallel to the west line of said Lot 8, Block 5, pass at 1,135.01 feet a set one-half inch iron rod with a cap labeled "RPLS 4204" being said south Right-of-Way line of Eldora as established by Judgement in Absence of Objections recorded in Document #3369908, Official Records, Hidalgo County, Texas, and continuing for a total distance of 1,185.00 to the point to beginning and containing 5.00 acres of land more or less.

Rezoning Request from Single Family Residence District (R-S) to General Business District (C-2) of the 5.00-acre tract of land out of Lot 8, Block 5, John Closner Subdivision, located approximately 200 feet East of Veterans Boulevard, along the South side of Eldora Road, as Requested by People's Manufactured Homes.

EDDIES INVESTMENTS INC
707 W SIOUX RD
SAN JUAN, TX 78589-3475

ESCOBAR ADAN JR & MARIA YOMEIDA
816 W ELDORA RD
SAN JUAN, TX 78589-5082

GUTIERREZ EDGAR ARANDA
708 W SIOUX RD
SAN JUAN, TX 78589-3476

QUINTANILLA FRANCES
910 N CANNA ST
PHARR, TX 78577-3007

LEANOS CARLOS
2801 FORTUNE AVE
SAN JUAN, TX 78589-3518

PEOPLE'S MANUFACTURED HOMES
909 W ELDORA
SAN JUAN, TX 78589

RAMIREZ RAMIRO & AURORA
PO BOX 1463
PHARR, TX 78577-1625

KEYES ARTHUR J
PO BOX 2174
SAN JUAN, TX 78589-7174

DGOGSANJUANTX05172023
LLC
1906 E BATTLEFIELD RD
SPRINGFIELD, MO 65804

QUIROZ JESUS
2609 N VETERANS RD
SAN JUAN, TX 78589-0035

ANDRADE ROEL & CECILIA G
2139 GARY LN
EDINBURG, TX 78542-2646

SALINAS SANTOS
2409 N VETERANS BLVD
SAN JUAN, TX 78589-0020

ESCOBAR ADAN JR
815 W ELDORA RD
SAN JUAN, TX 78589-5081

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Consider Second and Final Reading of an Ordinance Regarding the Conditional Use Permit for the Sale of Alcoholic Beverages (BG – Wine and Beer Retailer’s Permit) and Late Hours Permit (BL – Retail Dealer’s On-Premise Late Hours License) at “Quinta Rivera” located at 605 E. Hall Acres Road, Legally Described as Lot 96, Valley Ranch No. 5 Subdivision, as Requested by Quinta Rivera, LLC. [Jorge J. Garcia, Director of Planning]

STAFF COMMENTS AND RECOMMENDATIONS:

At the City Commission Meeting on July 8, 2025, the City Commission approved the First Reading of the Ordinance as presented by staff.

Previously, staff provided the following background:

The applicant is requesting a Conditional Use Permit for the Sale of Alcoholic Beverages for On-Premise Consumption (BG – Wine and Beer Retailer’s Permit) and Late Hours Permit (BL – Retail Dealer’s On-Premise Late Hours License) at “Quinta Rivera”. The property is located approximately 65 feet East from Stewart Road, along the South side of Hall Acres Road.

The applicant is proposing an open outdoor event center with swimming pool, playground area and soccer field.

The applicant will need to comply with the Texas Alcoholic Beverage Commission (TABC) requirements. Additional permits may be required by the City of San Juan for different types of alcohol / license permits.

Staff mailed a notice of the public hearing to four (4) property owners within a two-hundred (200) foot radius and received no comments in favor or against the request.

Staff recommends approval of the conditional use permit as presented.

RECOMMENDATION:

During their regular meeting on June 26, 2025, the Planning and Zoning Commission unanimously recommended approval of the conditional use permit with a 4-0 vote as presented.

PREPARED BY:

Jorge Garcia,
Planning Director

APPROVED BY:

Tirso Garza, Interim City
Manager

EVALUATION AND CONDITIONS FOR APPROVAL

The applicant is requesting a Conditional Use Permit for the Sale of Alcoholic Beverages for On-Premise Consumption (*BG – Wine and Beer Retailer’s Permit*) and Late Hours Permit (*BL – Retail Dealer’s On-Premise Late Hours License*) at “Quinta Rivera”. The property is located approximately 65 feet East from Stewart Road, along the South side of Hall Acres Road.

The applicant is proposing an open outdoor event center with swimming pool, playground area and soccer field.

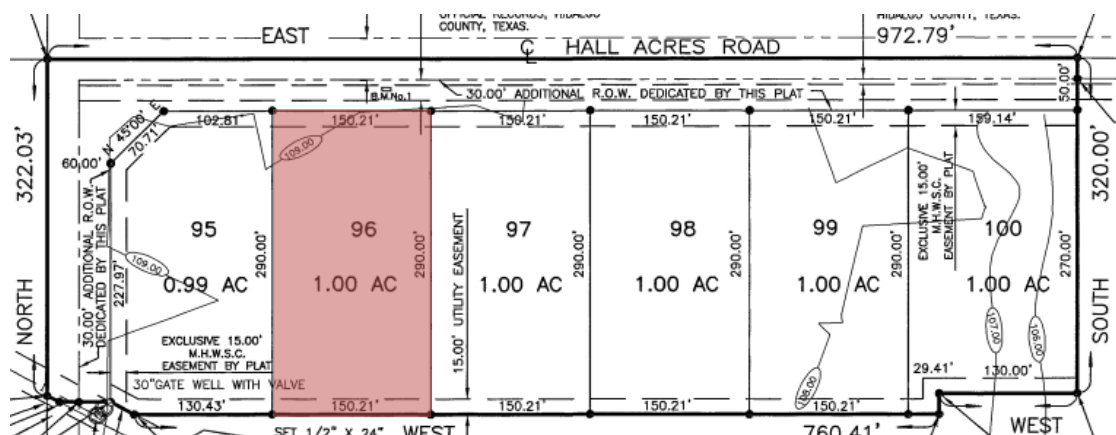
The applicant will need to comply with the Texas Alcoholic Beverage Commission (TABC) requirements. Additional permits may be required with the City of San Juan for a different type of alcohol / license permits.

The following are the list of requirements:

1. The applicant must comply with the City’s Security Cameras Ordinance.
2. Owner agrees to pay an annual fee to the City of San Juan to maintain the alcohol license, conditional use and business permit.
3. No loading or unloading of merchandise in a public street.
4. There shall be no smoking inside the premises at any time.
5. The business must comply with the city’s noise ordinance.

Staff mailed a notice of the public hearing to four (4) property owners within a two hundred (200) foot radius and received no comments in favor or against the request.

Staff recommends approval of the conditional use permit as presented.



Proposed Site
Lot 96, Valley Ranch No. 5 Subdivision



Location Map

FINAL RESOLUTION OF REQUEST & COMMENTS:

P&Z – 06/26/2025 Commissioner Mancillas made a motion to approve the conditional use permit as presented. Commissioner Salinas second the motion. The motion passed unanimously with a 4-0 vote.

REVIEW COMMENTS:

Ms. Gomez explained that a conditional use permit for the sale of alcoholic beverages for on-premise consumption (BG – Wine and Beer Retailer’s Permit) and Late Hours Permit (BL – Retail Dealer’s On-Premise Late Hours License) at Quinta Rivera, which is an open outdoor event center with swimming pool, playground area and soccer field. The property is located approximately 65 feet East from Stewart Road, along the south side of Hall Acres Road. Attached to the packet it is a list of general requirements. Notice of the public hearing was on the newspaper and letters were mailed out to four (4) property owners and no comments were received in favor or against the request. Staff recommends approval of the conditional use permit as presented.

Chairwoman Cardenas opened the public hearing at 6:04 p.m.

No discussion took place on this item.

Chairwoman Cardenas closed the public hearing at 6:04 p.m.



ORDINANCE NO.

AN ORDINANCE GRANTING A CONDITIONAL USE PERMIT FOR THE SALE OF ALCOHOLIC BEVERAGE (BG – WINE AND BEER RETAILER’S PERMIT) AND LATE HOURS PERMIT (BL – RETAIL DEALER’S ON-PREMISE LATE HOURS LICENSE) AT “QUINTA RIVERA” LOCATED AT 605 E. HALL ACRES ROAD, LEGALLY DESCRIBED AS LOT 96, VALLEY RANCH NO. 5 SUBDIVISION, AS PROVIDED IN ARTICLE IV, OF THE ZONING ORDINANCE, CITY OF SAN JUAN, HIDALGO COUNTY, TEXAS, PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE; PROVIDING FOR A CODE DISPOSITION.

WHEREAS, Quinta Rivera, LLC. has applied for a Conditional Use Permit under Article IV; of the Zoning Ordinance of the City of San Juan for the Sale of Alcoholic Beverages (*BG – Wine and Beer Retailer’s Permit*) and Late Hours Permit (*BL – Retail Dealer’s On-Premise Late Hours License*) at “Quinta Rivera”, located at 605 E. Hall Acres Road, San Juan, Texas.

WHEREAS, this type of activity is prohibited by said Zoning Ordinance unless a Conditional Use Permit is granted; and,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SAN JUAN, TEXAS, AS FOLLOWS:

SECTION I. That a Conditional Use Permit under Article IV of the Zoning Ordinance of the City of San Juan, Texas, be granted to Quinta Rivera, LLC. has applied for a Conditional Use Permit for the Sale of Alcoholic Beverages (*BG – Wine and Beer Retailer’s Permit*) and Late Hours Permit (*BL – Retail Dealer’s On-Premise Late Hours License*) at “Quinta Rivera” subject to the following conditions:

1. The applicant must comply with the City’s Security Cameras Ordinance.
2. Owner agrees to pay an annual fee to the City of San Juan to maintain the alcohol license, conditional use and business permit.
3. No loading or unloading of merchandise in a public street.
4. There shall be no smoking inside the premises at any time.
5. The business must comply with the city’s noise ordinance.

SECTION II. PUBLICATION AND EFFECTIVE DATE CLAUSE. This Ordinance shall be published in the official newspaper of the City of San Juan, Texas, as provided by law, and shall be and remain in full force and effect from the after said date of publication.

PASSED and **APPROVED** on first reading on the 8th day of July, 2025.

PASSED and **APPROVED** on second and final reading on the 22nd day of July, 2025.

CITY OF SAN JUAN

MARIO GARZA, MAYOR

ATTEST:

APPROVED BY:

Palacios, Garza & Thompson, P.C.

**BRENDA ESCALANTE
CITY SECRETARY**

CITY ATTORNEY

Quinta Rivera Narrative

605 Hall Acres

San Juan, Texas 78589

(956-569-4693)

Quinta Rivera is owned by Quinta Rivera, LLC Managing Members are Cipriano Rivera and his brother Managing Member Efren H. Rivera, d/b/a Quinta Rivera located at 605 Hall Acres, San Juan, Hidalgo County, Texas 78589

Quinta Rivera is a New Venue and has a bar which is applying for a Wine and Malt Beverage Permit.

This Businesses will operate daily as needed seven days a week especially specially serving or hosting Wedding Receptions, Quinceaneras, Birthday Parties and other similar events & Celebrations.

Quinta Rivera will employ approximately 8 employees including Managers, Bartenders, Wait Staff, janitorial services, and Cashiers.

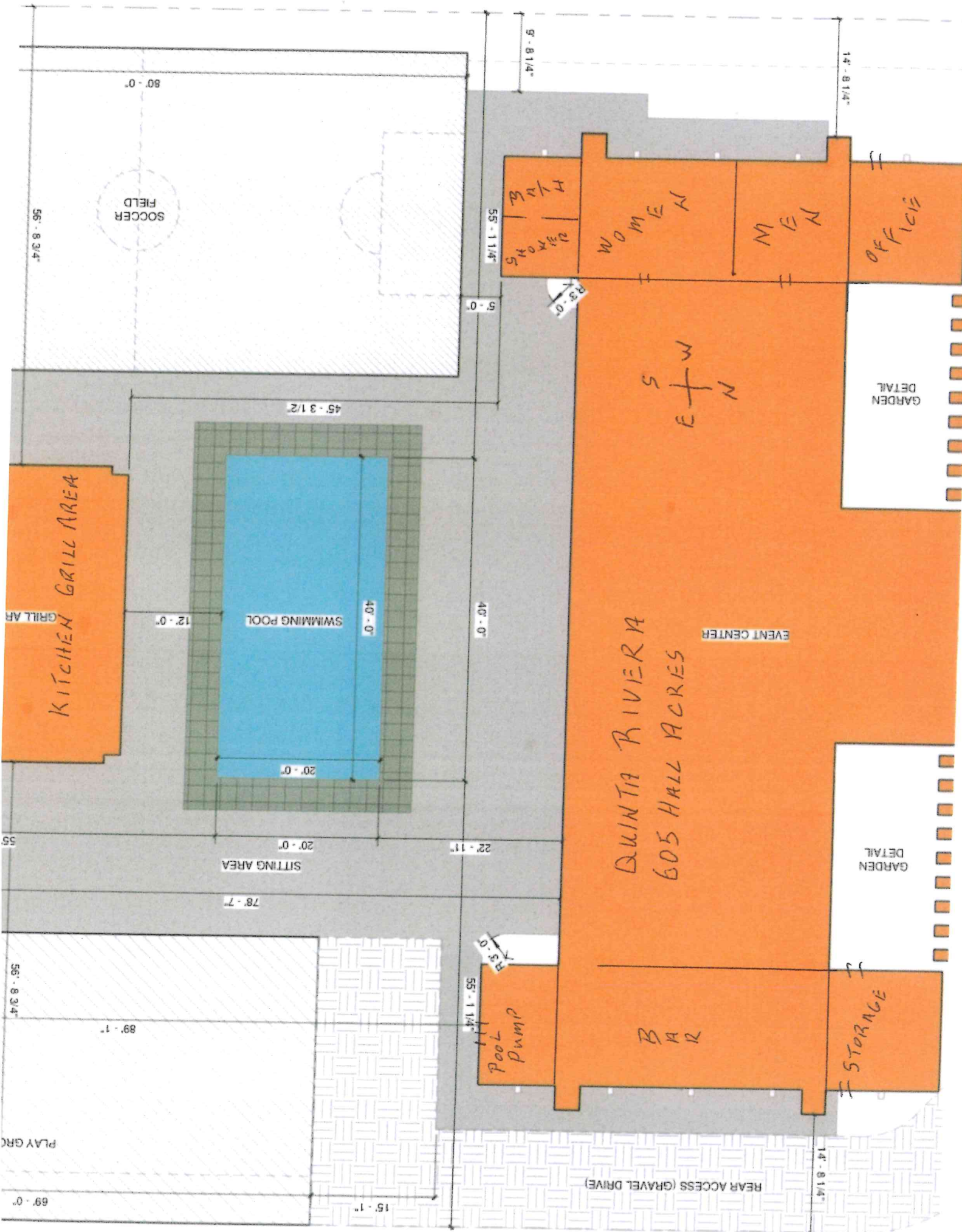
We feel we can operate a First-Class Event Center and provide a comfortable atmosphere resulting in a positive fun experience, for families, friends and guests who can enjoy and relax in a comfortable setting for any Special Event. Our venue includes a large dancing area.

We have a small bar offering domestic and imported Beers, Wine and setups including our homemade Micheladas. We plan to operate under a Wine and Beer Retailer's Permit which authorized the sale of Beer and Wine for On Premise Consumption as well as a Late Hours Certificate which extends our hours of sale until 2:00 A.M. We will comply with all City of San Juan Regulations and or Recommendations.

We will have live music, live Mariachi, and Karaoke when requested by certain events.

We have a large and adequate parking area for our customers & Guests to use as needed.

Cipriano Rivera-Managing Member



Conditional Use Permit for the Sale of Alcoholic Beverages (BG – Wine and Beer Retailer’s Permit) and Late Hours Permit (BL – Retail Dealer’s On-Premise Late Hours License) at “Quinta Rivera” located at 605 E. Hall Acres Road, legally described as Lot 96, Valley Ranch No. 5 Subdivision, as Requested by Quinta Rivera, LLC.

QUINTA RIVERA LLC
1400 STATE AVE
SAN JUAN, TX 78589-2563

CANTU JOSE JOEL JR
99 LOPEZ AVE
RIO GRANDE CITY, TX 78582-5623

RIVERA EFREN HERIBERTO
1400 STATE AVE
SAN JUAN, TX 78589-2563

DREIBELBIS ROBERT LA VERE &
ROLAND CLYDE & JAMES DEAN
1911 SOUTH STEWART RD
SAN JUAN, TX 78589-5037

AGENDA ITEM AND RECOMMENDATION SUMMARY
CITY COMMISSION REGULAR MEETING
JULY 22, 2025

Consider Approval of City Commission Meeting Minutes:

- January 27, 2025
 - February 25, 2025
-

STAFF COMMENTS AND RECOMMENDATIONS:

Consider Approval of City Commission Meeting Minutes:

- January 27, 2025
- February 25, 2025

RECOMMENDATION:

Approval of minutes.

PREPARED BY:

Brenda Escalante,
City Secretary

APPROVED BY:

Tirso Garza, Interim City
Manager

MINUTES OF REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE: Monday, January 27, 2025

TIME: 6:00 p.m.

PLACE: San Juan Memorial Library
Multipurpose Meeting Room
1010 S. Standard
San Juan, Texas 78589

MEMBERS PRESENT: Mario Garza, Mayor
Commissioner Ernesto “Neto” Guajardo
Adina “Dina” Santillan, Commissioner
Jesus “Jesse” Ramirez, Commissioner
Rick Palacios, City Attorney

STAFF PRESENT: Tirso Garza, Interim City Manager
Brenda Escalante, City Secretary
Tirso Garza, Chief of Fire
Leandro Sifuentes, Chief of Police
Adelaida Cordero, Director of Human Resources
Lulu Beltran, Asst. Director of Finance
Christina Perez, Library Director
Ruben Guajardo, Director of Parks & Recreation / PAL Director
Jorge Garcia, Director of Planning
Israel Garza, Director of Sanitation/ Public Works
Juan Carlos Martinez, Director of Utilities
Mary Enriquez, Court Administrator
Pat Karr, Director of Information Technology

ORDER OF BUSINESS

- I. CALL MEETING TO ORDER:**
Mayor Mario Garza called meeting to order at 6:00 p.m.
- II. INVOCATION:**
Tirso Garza, Interim City Manager led the Invocation.
- III. PLEDGE OF ALLEGIANCE:**
Mayor Mario Garza led the Pledge of Allegiance.
- IV. PUBLIC COMMENTS:**
Carla De Leon, a resident of San Juan, expressed concern regarding her well-being in relation to the potential paving of Lucky Drive, which she stated was in poor condition.
Virginia Gause stated that she was present to request the City Commission’s consideration in preserving the San Juan Hotel and in pursuing the historical grant available to restore the building. She once again requested a workshop to discuss saving the San Juan Hotel.
Juventina Herrera, representing the City of Edinburg, stated that they had the personnel needed to restore the San Juan Hotel and to work on securing the grant that would assist the city in doing so.

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

Luis Peña asserted that the city should investigate a questionable charge allegedly incurred by the former City Manager and two members of the City Commission during a meeting at a local restaurant. He also expressed concerns regarding the San Juan Police Department's policies and the officers' uniforms.

V. PRESENTATIONS

**A. Presentation of the 89th Annual RGV Golden Gloves Regional Championships Event.
[Ruben Guajardo, Director of Parks & Recreation.]**

DISCUSSION: Ruben Guajardo, Director of Parks & Recreation stated that the City of San Juan, in collaboration with the San Juan Police Athletic League and USA Boxing, will host the 89th Annual RGV Golden Gloves Regional Championships at Payne Arena on February 1st and 2nd. This event has grown significantly since it first began in 2021 as a small, outdoor tournament during the post-COVID period. Now in its fourth year, it will feature 122 boxing matches across two days, with preliminaries on Saturday and championship bouts on Sunday. In addition to the matches, live performances from local artists will entertain the crowd during breaks. The event serves as a qualifier for the Texas State Championships in Fort Worth in March. Many of the young athletes who compete have grown in the program, and some have even turned professional. The Police Athletic League plays a key role by securing sponsorships, which help fund future youth programs. Payne Arena will manage ticket sales, concessions, and vendor arrangements, while Golden Gloves will provide a donation back to the PAL after the event. Tickets are available at the door and online, with general admission priced at \$35 and VIP options also available. The city is also exploring the idea of hosting future tournaments at a new gym facility currently under development in San Juan.

B. Presentation Esteban Ali Garza-WWBO North American Boxing Champion. [Ruben Guajardo, Director of Parks and Recreation.]

DISCUSSION: Ruben Guajardo, Director of Parks & Recreation, introduced a rising professional boxer from San Juan who began his journey through the RGV Golden Gloves program in 2021 or 2022. Since then, he has built an impressive undefeated professional record of 7-0. His development through this local program stands as a testament to the city's investment in youth athletics and the potential such initiatives have to shape future success stories. Although he was scheduled to be formally recognized at a recent City Commission meeting, he was unable to attend due to a conflict with his training schedule. He is set to compete professionally once again on February 8th at Payne Arena, and the city plans to honor his accomplishments at a future meeting. His journey underscores the powerful impact that community-based programs such as the Golden Gloves and the Police Athletic League can have on local youth not only in developing athletic skills, but in creating real pathways to personal and professional achievement.

C. Presentation on Departmental Reports: Department of Finance, Fire Department, Police Department, Municipal Court, and Department of Utilities.

- 1. Department of Finance Monthly Report.**
- 2. Fire Department Monthly Report.**
- 3. Police Department Monthly Report.**
- 4. Municipal Court Monthly Report.**
- 5. Department of Utilities Monthly Report.**

DISCUSSION: Commissioner Jesus "Jesse" Ramirez raised a concern regarding the lack of a formal rental agreement between the City of San Juan and the Economic Development Corporation (EDC) for the space

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

currently being used by the EDC. Lulu Beltran, Assist. Director of Finance stated that no written agreement existed and that previous arrangements, including utility cost-sharing, had been discussed informally during budget sessions under the former city manager. City staff were directed to investigate the matter further and determine what payments, if any, were being made and what those payments entitled the EDC to. Additional questions were directed to the police department regarding patrol schedules and enforcement actions. Leandro Sifuentes, Chief of Police confirmed that Thursday patrols were still ongoing in certain neighborhoods and that efforts were being made to address issues such as loud music from vehicles. A question was also raised about a specific delay code listed in a MedCare report. Tirso Garza, Interim City Manager stated he would follow up with MedCare operations to obtain clarification. There was also a discussion regarding staffing at the municipal court. Mayor Mario Garza suggested exploring options such as hiring a part-time city marshal or administrative clerk to support current staff. Although no decision was made during the meeting, Mayor Garza recommended that the department head and police chief meet to determine what staffing changes would be most beneficial for improving operations.

VI. PUBLIC HEARING/ORDINANCES

- A. Hold a Public Hearing for the Rezoning Request from Single-Family Residence District (R-S) to General Business District (C-2) of the 1.894-acre tract of land out of the East 500.00 feet of the South 5.00-acre tract out of the North One-Half of Lot 42, Stewarts Addition to the Conway Gardens, as Requested by RCA Holding & Trading, LLC. [Jorge J. Garcia, Director of Planning]**

No Action was taken.

VII. APPOINTMENTS

- A. Consider Removal and Appointment of Board Member(s) Related to the Keep San Juan Beautiful Board. [Brenda Escalante, City Secretary]**

DISCUSSION: Brenda Escalante, City Secretary, stated that the Board was to consist of fifteen (15) members. Each member was required to be a resident of the City of San Juan and/or work in or operate a business within the city. Additionally, members were to be at least eighteen (18) years of age and possess good moral character and standing within the community.

The Keep San Juan Beautiful Board had eight (8) vacancies. Mrs. Escalante noted that the following individuals had expressed interest in serving on the Board:

- Eric Ismael Jimenez
- Alejandro Hernandez
- Arturo Ramirez Jr.
- Mirta Ramirez-Espinola
- Tania Viveros
- Fernando A. Betancourt
- Daniel Garza Flores
- Marta Rosales

Commissioner Jesus “Jesse” Ramirez made motion to approve all the recommendations and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

- B. Consider Removal and Appointment of Board Member(s) Related to the San Juan Library Advisory Board. [Brenda Escalante, City Secretary]**

DISCUSSION: Brenda Escalante, City Secretary, stated that the Library Board Bylaws provided that a member who was absent from more than three consecutive meetings would be automatically removed from

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

membership. Staff brought to my attention that Ms. Leticia Hernandez Muro had exceeded this limit. In light of this, staff requested that the Board consider the removal of Ms. Hernandez Muro from her position on the San Juan Advisory Library Board.

Commissioner Adina “Dina” Santillan made motion to remove Leticia Hernandez Muro and appoint Melyna Montoya and was seconded by Mayor Mario Garza. Motion passed (4-0)

VIII. DISCUSSION AND POSSIBLE ACTION ON ALL THE FOLLOWING MATTERS:

- A. Preliminary Plat Approval with Variances at Sioux Heights Subdivision being a 7.47-acre tract of land out of the Lot 4, Block 39, Alamo Land and Sugar Company's Subdivision, located approximately a quarter of a mile West from Cesar Chavez Road, along the South side of Sioux Road, as Requested by TRIMAD Consultants, Inc. [Jorge J. Garcia, Director of Planning]**

DISCUSSION: Jorge J. Garcia, Director of Planning and Zoning, stated that the Commission had reviewed a proposed subdivision request for a 7.47-acre tract of land located approximately a quarter mile west of Cesar Chavez Road, along the south side of SE Road. The developer proposed the creation of 23 multifamily lots with a new street running through the subdivision. The tract was located within Flood Zone B, and the developer had requested three variances from city standards: a reduction in utility easement width from 15 feet to 10 feet; allowance for lot depths shorter than the required 150 feet; and permission for various lot widths below the standard 150 feet. Water service was to be provided by the North Alamo Water Supply Corporation, while sewer services would be supplied by the City of San Juan. City staff recommended preliminary approval of the subdivision, contingent upon feedback from the city engineer and relevant departments. Mr. Garcia stated that the Planning and Zoning Commission had already reviewed the request and voted 4-0 in favor of recommending approval, including the requested variances.

Commissioner Ernesto “Neto” Guajardo made motion to approve and was seconded by Commissioner Adina “Dina” Santillan. Motion passed (4-0)

- B. Discussion and Possible Action on the San Juan Municipal Court Amnesty Program Beginning February 6, 2025. [Mary Enriquez, Court Administrator]**

DISCUSSION: Maria Enriquez, Court Administrator, presented a proposal for the City of San Juan's Municipal Court Amnesty Program, which will run from February 6 through April 30, 2025. The program is designed to help residents clear outstanding warrants without fear of arrest. As part of the amnesty, the court will waive the \$206 failure-to-appear fee, and in some cases, reduce or waive additional court fees. Citizens can resolve their cases either in person or online. To ensure public awareness, the city will promote the program through social media, the official website, and city television channels. Additionally, court staff will make phone calls to notify individuals with outstanding warrants. Commissioner Adina “Dina” Santillan recommended that some flexibility be shown even after April 30 for those who call and show a willingness to resolve their cases. There was also discussion about possibly extending the program if it proves successful. Ms. Enriquez agreed to return after April 30 to provide a report on participation and outcomes.

Commissioner Jesus “Jesse” Ramirez made motion to approve and was seconded by Commissioner Adina “Dina” Santillan. Motion passed (4-0)

IX. RESOLUTIONS

- A. Consideration and Action, if any, on Resolution Issuing an Order and Notice of the City of San Juan General Municipal Election for May 3, 2025, for the Election of Mayor, Commissioner Place 2 and Commissioner Place 3, and Designating Election Precincts and Polling Places. [Brenda Escalante, City Secretary]**

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

DISCUSSION: Brenda Escalante, City Secretary, stated that the City of San Juan had issued a resolution for its General Municipal Election to be held on Saturday, May 3, 2025. The election was set to cover the offices of Mayor, Commissioner Place Two, and Commissioner Place Three, each for a four-year term. The deadline to file to appear on the ballot was Friday, February 14, 2025, by 5:00 p.m. Early voting was scheduled to take place from April 22 through April 29, 2025, with varying hours each day. There would be no early voting on Sunday, April 27. Two polling locations were designated for both early voting and Election Day: The North Fire Station No. 2 and the San Juan Memorial Library. Notably, the county was responsible for appointing both presiding and alternate judges for the election.

Commissioner Adina “Dina” Santillan made motion to approve and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

X. CONSENT AGENDA

- A. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit Regarding the Sale of Alcoholic Beverages (BG – Wine and Malt Beverage Retail Dealer’s On-Premise Permit) at Santa Chelada Drive-Thru, located at 4101 N. Veterans Boulevard, legally described as Lot 5, Block 5, John Closner Subdivision, as Requested by KSNA, LLC. [Jorge J. Garcia, Director of Planning]**
- B. Consider Second and Final Reading of an Ordinance for a Conditional Use Permit for the Sale of Alcoholic Beverages (BG – Wine and Beer Retailer’s Permit) at Mariscos El Bucanero located at 205 W. Nolana Avenue Suite #3, legally described at Lot 1, San Juan Plaza Subdivision, as Requested by Mariscos El Bucanero, LCC. [Jorge J. Garcia, Director of Planning]**
- C. Consideration Second and Final Reading of an Ordinance Regarding the Voluntary Annexation Petition of the 7.82-acre tract of land out of Lot 12, Block 27, Alamo Land and Sugar Company’s Subdivision, Hidalgo County, Texas, according to the plat or map thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. [Jorge J. Garcia, Director of Planning]**

Commissioner Jesus “Jesse” Ramirez made a motion to approve all items under the consent agenda and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

XI. EXECUTIVE SESSION

- A. The San Juan City Commission will Convene in Executive Session in Accordance with the Texas Open Meeting Act, Vernon’s Texas Statutes and Codes Annotated, Government Code Chapter §551.071**
 - 1. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Cause No. C-4765-18-M, City of San Juan, Texas v. Rigney Construction & Development, et al;**
 - 2. Pursuant to Section 551.074 of the Texas Government Code (Personnel Matters), Discussion and Possible Action Regarding Personnel Matters Concerning City Manager Benjamin Arjona; and**
 - 3. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Personnel Policies and Procedures.**

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

4. Pursuant to Section §551.074 (Personnel Matters) and §551.071 (Consultation with Attorney) of the Texas Government Code, Discussion and Possible Action Regarding the Appointment of Tirso Garza, Interim City Manager.

Commissioner Jesus “Jesse” Ramirez made motion to enter into executive session at 6:39 p.m. and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

Commissioner Ernesto “Neto” Guajardo made motion to reconvene at 7:59 p.m. and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed (4-0)

XII. RECONVENE

- A. The City Commission will Reconvene in Open Session to Take Necessary Action if any, in Accordance with Chapter 551, Open Meeting Subchapter E, Procedures Relating to Closed Meeting 551, Requirements to Vote or Take Final Action in Open Meeting.
1. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Cause No. C-4765-18-M, City of San Juan, Texas v. Rigney Construction & Development, et al;

Mayor Mario Garza made motion to approve the settlement as discussed under executive session and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed (4-0)

2. Pursuant to Section 551.074 of the Texas Government Code (Personnel Matters), Discussion and Possible Action Regarding Personnel Matters Concerning City Manager Benjamin Arjona; and

Commissioner Jesus “Jesse” Ramirez made motion to turn the preliminary resolution regarding the removal of the former City Manager, Benjamin Arjona, into a final resolution and was seconded by Mayor Mario Garza. Motion passed (4-0)

3. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Personnel Policies and Procedures.

No Action was Taken

4. Pursuant to Section §551.074 (Personnel Matters) and §551.071 (Consultation with Attorney) of the Texas Government Code, Discussion and Possible Action Regarding the Appointment of Tirso Garza, Interim City Manager.

Mayor Mario Garza made motion to appoint Chief Tirso Garza as the interim city manager with a supplemental weekly pay of \$1,500 and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

XIII. ADJOURNMENT

Commissioner Jesus “Jesse” Ramirez made motion to adjourn at 8:01 p.m. and was seconded by Commissioner Ernesto “Neto” Guajardo. Motion passed (4-0)

CITY OF SAN JUAN, TEXAS

**CITY OF SAN JUAN
CITY COMMISSION MEETING
MONDAY, JANUARY 27, 2025**

Mario Garza, Mayor

ATTEST:

Brenda Escalante, City Secretary

MINUTES OF REGULAR MEETING OF THE CITY OF SAN JUAN COMMISSION

DATE: Tuesday, February 25, 2025

TIME: 6:00 p.m.

PLACE: San Juan Memorial Library
Multipurpose Meeting Room
1010 S. Standard
San Juan, Texas 78589

MEMBERS PRESENT: Mario Garza, Mayor
Marco “Markie” Villegas, Mayor Pro Tempore
Adina “Dina” Santillan, Commissioner
Jesus “Jesse” Ramirez, Commissioner
Rick Palacios, City Attorney

STAFF PRESENT: Tirso Garza, Interim City Manager
Brenda Escalante, City Secretary
Tirso Garza, Chief of Fire
Leandro Sifuentes, Chief of Police
Adelaida Cordero, Director of Human Resources
Leroy Gonzales, Director of Finance
Christina Perez, Library Director
Ruben Guajardo, Director of Parks & Recreation / PAL Director
Jorge Garcia, Director of Planning
Israel Garza, Director of Sanitation/ Public Works
Juan Carlos Martinez, Director of Utilities
Mary Enriquez, Court Administrator
Pat Karr, Director of Information Technology

ORDER OF BUSINESS

I. CALL MEETING TO ORDER:

Mayor Mario Garza called meeting to order at 6:00 p.m.

II. INVOCATION:

Tirso Garza, Interim City Manager led the Invocation.

III. PLEDGE OF ALLEGIANCE:

Mayor Mario Garza led the Pledge of Allegiance.

IV. PUBLIC COMMENTS:

Mae Trevino was present to once again request the preservation of the San Juan Hotel, noting that it has been registered as a landmark. She also asked the City Commission to review the revenue generated from metal. Additionally, she urged the city to inspect the records and logs related to the Texas Commission on Environmental Quality (TCEQ), stating that she had submitted a Public Information Request but was informed that no records were available in response to her inquiry. Stephanie Alvarez stated that this marked the eleventh month she had been requesting a workshop to have the opportunity to engage in dialogue with the City Commission regarding the preservation of the San Juan Hotel, which has been recognized as a historical landmark. She also inquired about all email correspondence between the former City Manager and Mr. Godinez of ERO.

**CITY OF SAN JUAN
CITY COMMISSION MEETING
TUESDAY, FEBRUARY 25, 2025**

Luis Pena asserted that the city should investigate a questionable charge incurred by the former City Manager and two members of the City Commission during a meeting at a local restaurant.

V. PRESENTATIONS

A. Presentation on E-Citation for Traffic Enforcement by Trusted Driver Inc. [Leandro Sifuentes, Chief of Police]

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that the city is considering transitioning from paper citations to electronic citations (e-citations) to improve efficiency in traffic enforcement and recordkeeping. Charles Hoskins, representing Trusted Driver, explained that the proposed system would replace handwritten tickets with digital citations processed through smartphones or tablets. This technology streamlines the citation process for officers, automates data entry (including racial profiling statistics), and transmits information instantly to the court. Courts would have the option to apply an administrative fee to help offset associated costs. Violators could pay or contest citations online via a QR code. The cloud-based software requires no printers and costs \$2,500 annually, which includes data storage. A six-month free trial is available, and the vendor provides 35 complimentary devices. The only recurring expense is the monthly airtime—approximately \$1,500—partially offset by T-Mobile service credits. The system integrates seamlessly with existing court management software, reducing manual workload and increasing efficiency for both clerks and officers. It also includes analytics and investigative features such as GPS tagging and access to vehicle and license databases. Some concerns were raised regarding the potential for increased citation issuance due to improved efficiency, the risk of over-policing, and limited accessibility for individuals without smartphones. In response, kiosks will be installed at the court and police department to allow for in-person payment or contesting of citations. Payments will be processed via Stripe, with all violation revenues directed to the city. The vendor is compensated solely through convenience fees paid by violators. Overall, the program is cost-effective, enhances officer productivity, reduces administrative burden, and provides valuable data analysis and public service tools for the court and police department.

B. Presentation on Departmental Reports: Department of Finance, Fire Department, Police Department, Municipal Court, and Department of Utilities.

1. **Department of Finance Monthly Report.**
2. **Fire Department Monthly Report.**
3. **Police Department Monthly Report.**
4. **Municipal Court Monthly Report.**
5. **Department of Utilities Monthly Report.**

DISCUSSION: During the City Council meeting, department heads presented their reports, and a council member commended Animal Control for its outstanding service. The police department was also recognized for its efforts during cruise nights. A subsequent discussion focused on the city pageant's finances and scholarship awards. Concerns were raised regarding scholarships being distributed prior to students' official college enrollment. Additional concerns centered on a lack of communication and transparency surrounding the planning and execution of the pageant. Several council members noted they had not been properly informed or invited to participate and only became aware of changes to the event through social media. In response, council members requested all relevant documentation related to the pageant, including bylaws and any formal procedures, to ensure improved oversight and involvement in future events.

**CITY OF SAN JUAN
CITY COMMISSION MEETING
TUESDAY, FEBRUARY 25, 2025**

VI. RESOLUTIONS

- A. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Criminal Justice Grant Program FY2026 for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that this resolution was for the approval of the San Juan Police Department's application for a grant that does not require a matching contribution.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

- B. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Rifle-Resistant Body Armor Grant for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that this resolution authorizes the city's police department to apply for and accept funding from the Office of the Governor for rifle-resistant bulletproof vests. The grant does not require a financial match.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

- C. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Armored Vehicle- SHSP LETPA for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that the purpose of the resolution was to authorize the San Juan Police Department to apply for funding from the Office of the Governor under the SHSP LPA grant for the purchase of an armored vehicle. Although Chief Sifuentes acknowledged that securing the \$320,000 grant is a long shot, the department is pursuing the opportunity to replace its outdated vehicle. He emphasized the importance of ensuring the safety of the regional SWAT team, which is based in San Juan. The grant does not require a financial match.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

- D. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Crime Victims Liaison-Violence Against Women Justice and Training Program FY2026 for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that the purpose of this resolution is to authorize the San Police Department to apply for and accept funding from the Office of the Governor for the Crime Victim Liaison Violence Against Women Justice and Training Program for Fiscal Year 2026. The department is requesting an additional victim liaison in response to the city's growth and the resulting increase in caseload. The grant requires a 30% match, which would amount to approximately \$10,800 annually from the city. If awarded, the funds would be available after October.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

**CITY OF SAN JUAN
CITY COMMISSION MEETING
TUESDAY, FEBRUARY 25, 2025**

- E. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Operation Lonestar Grant Program FY2026 for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that this resolution authorizes the council approved a resolution for the San Juan Police Department to apply for and accept funding from the Office of the Governor through the Operation Lone Star Grant Program for fiscal year 2026. The grant, which requires no city match, would fund UTVs and additional mobile surveillance trailer cameras. Stephanie Alvarez citizen expressed concerns about the program's ties to immigration enforcement and its negative impact on community trust and city finances. In response, Chief Sifuentes clarified that their department does not engage in immigration enforcement and that the request is solely for equipment to help reduce criminal activity related to border crime.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

- F. Consider a Resolution Authorizing the City of San Juan Police Department to Submit and Accept an Application for Funding to the Office of the Governor, Drone, and Shields-SHSP-R for the City of San Juan. [Leandro Sifuentes, Chief of Police]**

DISCUSSION: Leandro Sifuentes, Chief of Police, stated that this resolution would authorize the San Juan Police Department to apply for and accept funding from the Office of the Governor through the Drone and Shield SHSP-R Grant. The department is requesting ballistic shields and a smaller drone to enhance the safety of SWAT personnel during building entries. No financial match is required.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Mayor Pro Tem Marco "Markie" Villegas. Motion passed (4-0)

VII. CONTRACTUALS

- A. Consideration and Action, if any, on an Interlocal Agreement Between the City Of San Juan and the City of Edinburg for Waste Disposal. [Israel Garza, Director of Sanitation]**

DISCUSSION: Israel Garza, Director of Sanitation, stated that this interlocal agreement between the City of San Juan and the City of Edinburg pertains to waste disposal services. The agreement, which has been in place for approximately ten years, was recently updated primarily to reflect changes in pricing—particularly for tire disposal. San Juan primarily disposes of solid waste at the Edinburg landfill. Mr. Garza noted that both staff and the city attorney reviewed the contract and found it consistent with the previous agreement. The updated contract includes an automatic five-year extension clause, making it a potential ten-year agreement unless either city opts not to renew.

Commissioner Jesus "Jesse" Ramirez made motion to approve and was seconded by Commissioner Ernesto "Neto" Guajardo. Motion passed (5-0)

VIII. CONSENT AGENDA

- A. Consider Second and Final Reading of an Ordinance Regarding the Rezoning Request from Single-Family Residence District (R-S) to General Business District (C-2) of the 1.894-acre tract of land out of the East 500.00 feet of the South 5.00-acre tract out of the North One-Half of Lot 42, Stewarts Addition to the Conway Gardens, as Requested by RCA Holding & Trading, LLC. [Jorge J. Garcia, Director of Planning]**
- B. Consider Approval of the Budget Expenditure Report for the Month of December 2024. [Leroy Gonzales, Director of Finance]**

**CITY OF SAN JUAN
CITY COMMISSION MEETING
TUESDAY, FEBRUARY 25, 2025**

- C. Consider Approval of the Tax Collection Report for the Month of January 2025. [Leroy Gonzales, Director of Finance]**
- D. Consider Approval of City Commission Meeting Minutes:
November 26, 2024**

Commissioner Jesus “Jesse” Ramirez made a motion to approve all items under the consent agenda and was seconded by Mayor Mario Garza. Motion passed (5-0)

IX. EXECUTIVE SESSION

- A. The San Juan City Commission will Convene in Executive Session in Accordance with the Texas Open Meeting Act, Vernon's Texas Statutes and Codes Annotated, Government Code Chapter §551.071**
 - 1. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Legal Issue Concerning the Construction of San Juan Parks & Recreation Phase 1.**
 - 2. Pursuant to Section §551.087 ECONOMIC DEVELOPMENT NEGOTIATIONS; Consideration of Economic Development Matters on the Cesar Chavez Project.**

Mayor Mario Garza asked to go out of agenda order moving forward with IX. A. 2. First then after IX A. 1.

Commissioner Jesus “Jesse” Ramirez made motion to enter into executive session at 6:48 p.m. and was seconded by Mayor Pro-Tem Marco “Markie” Villegas. Motion passed (4-0)

Mayor Pro-Tem Marco “Markie” Villegas made motion to reconvene at 8:07 p.m. and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed (3-0)

X. RECONVENE

- A. The City Commission will Reconvene in Open Session to Take Necessary Action if any, in Accordance with Chapter 551, Open Meeting Subchapter E, Procedures Relating to Closed Meeting 551, Requirements to Vote or Take Final Action in Open Meeting.**
 - 1. Pursuant to Section 551.071 of the Texas Government Code (Consultation with Attorney), Discussion and Possible Action Regarding Legal Issue Concerning the Construction of San Juan Parks & Recreation Phase 1.**

Mayor Mario Garza made motion to approve as discussed for change orders 1-7 and was seconded by Commissioner Jesus “Jesse” Ramirez. Motion passed (4-0)

- 2. Pursuant to Section §551.087 ECONOMIC DEVELOPMENT NEGOTIATIONS; Consideration of Economic Development Matters on the Cesar Chavez Project.**

No Action was Taken

XI. ADJOURMENT

Mayor Pro-Tem Marco “Markie” Villegas made motion to adjourn at 8:08 p.m. and was seconded by Commissioner Adina “Dina” Santillan. Motion passed (4-0)

**CITY OF SAN JUAN
CITY COMMISSION MEETING
TUESDAY, FEBRUARY 25, 2025**

CITY OF SAN JUAN, TEXAS

Mario Garza, Mayor

ATTEST:

Brenda Escalante, City Secretary