Mayor Javier Villalobos
Mayor Pro Tem/Commissioner J. Omar Quintanilla
Commissioner Tony Aguirre, Jr.
Commissioner Joaquin Zamora

Commissioner Rodolfo "Rudy" Castillo
Commissioner Victor "Seby" Haddad
Commissioner Pepe Cabeza de Vaca
City Manager Roel "Roy" Rodriguez, P.E.

NOTICE OF WORKSHOP TO BE HELD BY THE MCALLEN BOARD OF COMMISSIONERS

MONDAY, SEPTEMBER 9, 2024 – 3:45 PM
MCALLEN CITY HALL
CITY COMMISSION CHAMBERS; 3RD FLOOR
1300 HOUSTON AVENUE
MCALLEN TEXAS, 78501

AGENDA

"At any time during the course of this meeting, the City Commission may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the City Commission under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at any time during the course of this meeting, the City Commission may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code."

CALL TO ORDER

1. Present questions to staff relating to the September 9, 2024 Regular Meeting Agenda, to be discussed at such meeting.
2. Presentation on Grant Administration.
3. Airport Terminal Capacity Study Update & Parking Rate Schedule Presentation.
4. **EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH ATTORNEY), SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY), SECTION 551.074 (PERSONNEL MATTERS) AND SECTION 551.087 (ECONOMIC DEVELOPMENT)**

   A) Consideration of Economic Development matters. (Section 551.087, T.G.C.)
   B) Consultation with City Attorney regarding legal issues related to employee benefit options. (Section 551.071, T.G.C.)

ADJOURNMENT

IF ANY ACCOMMODATION FOR A DISABILITY IS REQUIRED (OR INTERPRETERS FOR THE DEAF), NOTIFY THE CITY SECRETARY'S DEPARTMENT AT 681-1020 FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING DATE. WITH REGARD TO ANY ITEM, THE BOARD OF COMMISSIONERS MAY TAKE VARIOUS ACTIONS INCLUDING BUT NOT LIMITED TO RESCHEDULING AN ITEM IN ITS ENTIRETY FOR A FUTURE DATE OR TIME.

C E R T I F I C A T I O N

I, the Undersigned Authority, do hereby certify that the attached agenda of the meeting of the McAllen Board of Commissioners is a true and correct copy and that I posted a true and correct copy of said notice on the bulletin board in the Municipal Building, a place convenient and readily accessible to the general public at all times, and said Notice was posted on September 6, 2024 at 3:30 PM and will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

/s/
Perla Lara, TRMC/CMC, CPM
City Secretary

CITY OF McALLEN

ITEM SUMMARY

BOARD: City Commission	AGENDA ITEM	1.
	DATE SUBMITTED	
	MEETING DATE	9/9/2024

1. Agenda Item: Present questions to staff relating to the September 9, 2024 Regular Meeting Agenda, to be discussed at such meeting.

2. Party Making Request:

3. Nature of Request:

4. Routing:
   Diana Silva Created -

5. Staff Recommendation:

6. Advisory Board:

7. City Attorney:

8. Manager's Recommendation:

ITEM SUMMARY

BOARD: City Commission	AGENDA ITEM	2.
	DATE SUBMITTED	
	MEETING DATE	9/9/2024

1. Agenda Item: Presentation on Grant Administration.
2. Party Making Request:
3. Nature of Request:
4. Routing:
   Perla Lara Created -
5. Staff Recommendation:
6. Advisory Board:
7. City Attorney:
8. Manager's Recommendation:

Grant Administration Office

Priscilla Avila
Assistant Director

Department Structure

- **Community Development** – Dept. Of Housing and Urban Development
- **Grant Administration** – Internal City Department

Grant Administration Office

Mission

Securing funding to improve the quality of life for McAllen citizens, the Grant Administration Department provide grant writing and compliance services to City departments.

Vision

The Grant Administration Department will generate financial support from external funding sources and coordinate internal processes to achieve fiscal and programmatic grant compliance.

NGMA National Grants Management Association

eCIVIS

Gpa Grant Professionals Association

GAO Goals & Objectives

- GAO Responsibilities:
  - ✓ Understanding Priorities
  - ✓ Creating Timelines
  - ✓ Executing Grant Applications
  - ✓ Determining Eligibility

- Establish Communications with:
  - ✓ City Commission
  - ✓ City Management
  - ✓ Other Municipal Departments

Priorities

Research

- Eligibility
- Source
- Amounts
- Match Requirement
- Grant Purpose

Develop

- Budgets
- Proposals
- Narratives

Manage

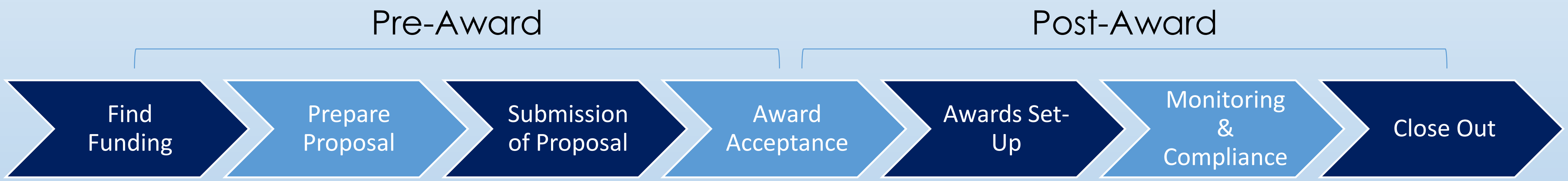
- Grant Submissions
- Supplemental Documents
- Request for Information

NGMA National Grants Management Association

eCIVIS

Gpa Grant Professionals Association

Grant Process



Pre-Award

<u>Grant Application Process</u>

1. Understanding department needs,
2. Researching / filtering eligible grants,
3. Send to Department POC,
4. Gather information pertaining to grant,
5. Provide updates to department as needed,
6. Gather supporting docs, or resolution as needed; City Commission
7. REPEAT.
8. SUBMIT!!

Post-Award

<u>You get awarded… What Next?</u>

- ❑ Fiscal & Programmatic Compliance
- ❑ Develop City Commission post-award items
- ❑ Request new accounts from OMB
- ❑ Compliance & Monitoring reviews
- ❑ Grant Status Report for City Manager's Office
- ❑ Coordinate grant close-outs

Grant Funding Sources

State

GRANTS.GOV[SM]

FIND. APPLY. SUCCEED.

Federal

BANK OF AMERICA

Foundation

Grant Funded Projects

Expansion and Modernization at Anzalduas Land Port of Entry

- $25,000,000 from the U.S. Department of Transportation for the Anzalduas Bridge Expansion Project

TX OOG CJD RGV TAG: $12.2 million;

Fund Management Portfolio

$203,805,693.47

63 Active Grants

Additional GAO Functions

Keep Texas Beautiful
KEEP AMERICA BEAUTIFUL AFFILIATE

SILVER
PROUD TO BE
A Certified Scenic City

playful city usa

MOMENTUS
THE POWER OF MCALLEN
STATE OF THE CITY
2023

ANY QUESTIONS

CITY OF McALLEN

ITEM SUMMARY

BOARD: City Commission	AGENDA ITEM	3.
	DATE SUBMITTED	09/03/2024
	MEETING DATE	9/9/2024

1. Agenda Item: Airport Terminal Capacity Study Update & Parking Rate Schedule Presentation

2. Party Making Request: Jeremy Santoscoy

3. Nature of Request: Airport Terminal Capacity Study Update & Parking Rate Schedule Presentation

4. Routing:
   Jeremy Santoscoy Created/Initiated - 9/3/2024

5. Staff Recommendation:

6. Advisory Board:

7. City Attorney:

8. Manager's Recommendation:

Terminal Planning Study – Funding Plan Overview

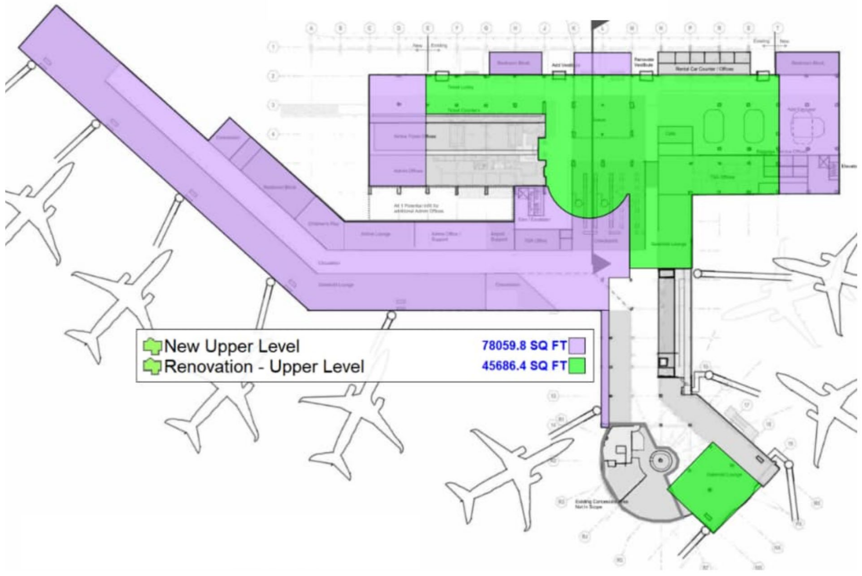
City Commission Meeting, September 9, 2024

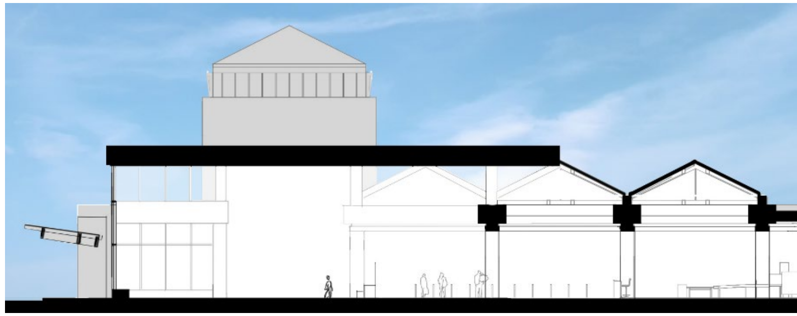
Goals of the Funding Plan

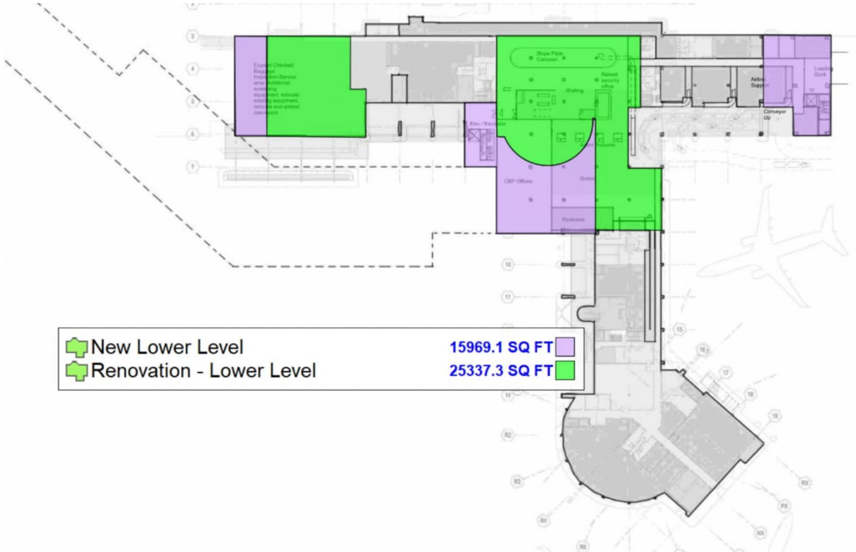
- Continue the policy that there will not be a tax levy to support airport operations
- Maximize the use of grants
- Not burden the Airlines with heavy debt to be included in rates and charges
- Use surplus net non-airline revenue to fund the Airport's debt service obligation
- Leverage PFCs for a reasonable period to support the necessary PFC commitment to successfully fund the eligible project requirements
- Tenants (i.e. concessions and airlines) will direct fund their buildouts
- Break down project elements to allow for phased implementation

Terminal Improvements – ROM Cost Estimate

	By Area
New / Expansion	$122,373,000
Existing / Renovations	$19,136,000
New Terminal Commons (meeter / greeter, "Wow"	$14,813,000
Support In-fill	$2,750,000
Airside Civil	$17,000,000
Project Total	**$176,072,000**
If no Terminal Commons, but including central single level bumpout at meeter / greeter	-$8,210,250
Project Total Alt.1	**$167,861,750**
(no Terminal Commons)	
If no Terminal Commons or support in-fill	-$2,750,000
Project Total Alt. 2	**$165,111,750**
(no Terminal Commons or In-Fill)	







SEH

Decomm Aviation Consulting

Potential Sources of Funding

- Congressionally Directed Spending/Community Project Funding
  - Received: Design ($7.47M)
  - Future requests: Construction
- FAA AIP Entitlement and Discretionary Grants
- FAA Airport Terminal Program Funding (Infrastructure Bill Grant)
- Tenant funded buildout
- Passenger Facility Charges (PFCs)
- Debt funded by Airport revenues
- City funds for the entrance enhancement

Overall Sources and Uses Plan

Planned Overall Budget: $179,700,000

Project/Scope	Estimated Budget	Federal		Local			
		Amount	Source	PFCs	Airport/Cash /Debt	City Contribution	Tenants
Terminal Design	$12,000,000	$7,472,500	Community Project Funding		$4,527,500		
Funding Package I	$22,000,000	$15,400,000	ATP	$3,300,000	$2,900,000		$400,000
Funding Package II	$35,000,000	$22,222,222	ATP	$12,777,778			
Terminal Enhanced Entrance	$8,700,000					$8,700,000	
Apron Design & Construction	$17,000,000	$15,300,000	Entitlements/ Discretionary	$1,700,000			
Funding Package III	$85,000,000	$32,976,656	Entitlements /Discretionary	$20,023,344	$20,000,000		$12,000,000
Total	**$179,700,000**	**$93,371,378**		**$37,801,122**	**$27,427,500**	**$8,700,000**	**$12,400,000**

Annual Operating Cash Flow Projections

Operating Expense Projection											
Category	**Approved FY2024-25 Budget**	**FY2025-26**	**FY2026-27**	**FY2027-28**	**FY2028-29 Expansion Opens**	**FY2029-30**	**FY2030-31**	**FY2031-32**	**FY2032-33**	**FY2033-34**	**FY2034-35**
Expenses Less Capital Transfer	$10,226,062	$10,511,047	$10,696,167	$10,899,652	$11,278,004	$11,535,255	$11,725,040	$11,965,362	$12,163,310	$12,425,043	$12,630,759
Enplanements	690,989	694,145	700,520	751,372	763,737	770,043	782,762	795,734	856,973	874,092	874,092
Expense per Enplanement	$14.80	$15.14	$15.27	$14.51	$14.77	$14.98	$14.98	$15.04	$14.19	$14.21	$14.45

Operating Revenue Projection											
Category	**Approved FY2024-25 Budget**	**FY2025-26**	**FY2026-27**	**FY2027-28**	**FY2028-29 Expansion Opens**	**FY2029-30**	**FY2030-31**	**FY2031-32**	**FY2032-33**	**FY2033-34**	**FY2034-35**
Operating Revenues	$9,590,358	$12,032,491	$12,788,458	$14,248,150	$16,362,123	$17,023,217	$17,641,594	$17,969,356	$18,294,270	$18,625,579	$18,973,966
Enplanements	690,989	694,145	700,520	751,372	763,737	770,043	782,762	795,734	856,973	874,092	874,092
Revenue per Enplanement	$13.88	$17.33	$18.26	$18.96	$21.42	$22.11	$22.54	$22.58	$21.35	$21.31	$21.71
Positive Cash Flow From Operations		**$1,521,445**	**$2,092,291**	**$3,348,499**	**$5,084,119**	**$5,487,962**	**$5,916,554**	**$6,003,993**	**$6,130,960**	**$6,200,536**	**$6,343,207**

Airport Requirements for Debt Service From Current Plan

Rate	Debt: $27,427,500	
	20 Years	25 Years
5%	$2,172,108	$1,924,068
6%	$2,357,988	$2,120,592

Passenger Facility Charge Projections

Annual PFC Collections:	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Enplaned Passengers (000s)	690,989	694,145	700,520	751,372	763,737	770,043	782,762	795,734	856,973	874,092	874,092
% Enplaned Passengers paying PFCs	91.0%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%
PFC Enplaned Passengers	628,800	631,672	637,473	683,748	695,001	700,740	712,313	724,118	779,845	795,424	795,424
PFC Rate	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50
Less: Admin. Fee	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11	$0.11
Adjusted PFC Rate	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39
Annual PFC Collections	**$2,760,430**	**$2,773,038**	**$2,798,506**	**$3,001,656**	**$3,051,054**	**$3,076,247**	**$3,127,054**	**$3,178,878**	**$3,423,520**	**$3,491,910**	**$3,491,910**

Options if Federal Funding is not Obtained as Planned

- Complete design and identify packages based on expected funding sources
- Value engineer the project scope to match available funding
- Defer or downsize the renovation of existing space
- Continue to pursue aggressive non-aeronautical sources of revenue and apply to project shortfalls as surplus discretionary revenue becomes available
- Increase leveraging of PFCs over an extended collection period
- Add additional debt service to airline rates and charges for critical path improvements
- Defer portions of the project until identified funding is available
- Continue to pursue all available grants and proceed when awarded

Summary

- Financing plan covers the expected cost of the total program
- The plan does not place an extraordinary burden on airline costs to maintain MFE's competitive position
- There are alternatives if the funding plan does not materialize as expected
- The Airport will continue to have financial flexibility to address non-terminal capital needs
- The planning and phasing of the expansion will allow for modifications if funding opportunities change

Questions

McAllen International Airport

ABOVE. BEYOND.

AIRPORT PARKING RATE SCHEDULE
CITY COMMISSION WORKSHOP

SEPTEMBER 09, 2024

McAllen is the Valley's FAVORITE AIRPORT

EXISTING PARKING LOT CAPACITY

- Long Term Parking Main Lot - 813 public stalls and 7 handicapped stalls for a total of 820 parking stalls.

- Short Term Parking Main Lot - 207 public stalls and 24 handicapped spaces for a total of 231 parking stalls.

- Employee Parking/Overflow Lot – 306 employee stalls plus 12 handicapped stalls for a total of 318 parking stalls. Approximately 160 stalls for public.

- Total Public Parking Stalls – 1,211 parking stalls.

- Rental Car Ready/Return - 209 Stalls.

ANNUAL REVENUE & TRANSACTION SUMMARY

McAllen International Airport

Calendar Year Summary

PARKING GROSS REVENUE HISTORY					
Month	**CY2019**	**CY2020**	**CY2021**	**CY2022**	**CY2023**
Total	**$1,608,521**	**$700,574**	**$1,387,815**	**$1,668,336**	**$1,872,190**

Source: Contactor Reports

DAILY TRANSACTIONS					
Month	**CY2019**	**CY2020**	**CY2021**	**CY2022**	**CY2023**
Total	**224,878**	**105,046**	**177,432**	**185,632**	**205,129**

Source: Contactor Reports

AVERAGE REVENUE PER TRANSACTION					
Month	**CY2019**	**CY2020**	**CY2021**	**CY2022**	**CY2023**
Total	**$7.15**	**$6.67**	**$7.82**	**$8.99**	**$9.14**

Source: Contactor Reports

SUMMARY TIME BY BLOCKS

0-2 HOUR FEES AS A PERCENTAGE OF TOTAL REVENUE					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Percentage	6.47%	5.92%	6.55%	5.10%	4.71%

Source: Contactor Reports

0-2 HOUR TRANS AS A PERCENTAGE OF TOTAL					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Percentage	72.01%	72.78%	60.11%	64.51%	64.36%

Source: Contactor Reports

2-5 HOUR FEES AS A PERCENTAGE OF TOTAL REVENUE					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Percentage	2.38%	2.23%	2.45%	1.92%	1.83%

Source: Contactor Reports

2-5 HOUR TRANS AS A PERCENTAGE OF TOTAL					
Month	CY2019	FY2020	CY2021	CY2022	CY2023
Percentage	2.38%	5.92%	2.45%	3.40%	3.00%

Source: Contactor Reports

5-24 HOUR FEES AS A PERCENTAGE OF TOTAL REVENUE					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Percentage	6.96%	7.93%	7.35%	6.58%	5.67%

Source: Contactor Reports

5-24 HOUR TRANS AS A PERCENTAGE OF TOTAL					
Month	CY2019	FY2020	CY2021	CY2022	CY2023
Percentage	5.33%	6.14%	7.35%	7.39%	6.58%

Source: Contactor Reports

24-48 HOUR FEES AS A PERCENTAGE OF TOTAL REVENUE					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Pwercentage	10.19%	9.78%	8.44%	8.23%	6.85%

Source: Contactor Reports

24-48 HOUR TRANS AS A PERCENTAGE OF TOTAL					
Month	CY2019	FY2020	CY2021	CY2022	CY2023
Percentage	16.09%	3.77%	8.44%	4.15%	6.85%

Source: Contactor Reports

48-72 HOUR FEES AS A PERCENTAGE OF REVENUE					
Month	CY2019	CY2020	CY2021	CY2022	CY2023
Percentage	74.53%	74.11%	75.20%	78.17%	80.57%

Source: Contactor Reports

48-72 HOUR TRANS AS A PERCENTAGE OF TOTAL					
Month	CY2019	FY2020	CY2021	CY2022	CY2023
Percentage	16.09%	14.53%	17.38%	20.55%	21.91%

Source: Contactor Reports

SUMMARY OF FINDINGS

- 0-2 Hours represents 5% of total revenue and 65% of total transactions.

- 48-72 Hours represents 80% of total revenue and 22% of total transactions.

- 30 Minute Free parking and low graduated hourly rates are resulting in short term users utilizing a disproportionate amount of parking for short periods, at similar times when departing passengers are looking for spaces.

- Growth in enplanements is increasing which will continue to put high stress on parking availability.

CURRENT & PROPOSED RATE STRUCTURE

Valley International Airport	HRL	Current
Short Term		
Each 20 min		$1.00
Daily maximum		$15.00
Long Term		
0-30 min		$0.00
Each hour		$1.50
Daily maximum		$10.00
Monthly		$180.00
Yearly		$1,000.00

McAllen International	Current
Short Term	
0-30 Min	$0.00
31-50 Min	$1.00
Each add'l 20 min	$1.00
3 Hr 51 min to 24 hours	$11.00
Cumulative daily rate	$18.00
Each add'l day	$15.00
Long Term	
0-30 Min	$0.00
31-50 MIn	$1.00
Each add'l 20 min	$1.00
2 Hrs 11 minutes to 24 hours	$6.00

McAllen International Airport	**Proposed**
Short Term	
0-30 Min	**$0.00**
30 min -1 hr	**$5.00**
1-2 Hours	**$10.00**
2-24 Hours	**$15.00**
Long Term	
0-30 Min	**$0.00**
30 min-2 Hours	**$5.00**
2-5 Hours	**$7.00**
5-24 Hours	**$10.00**
Long Term Weekly Rate	**$60.00**

PARKING RATE SCHEDULE IMPLEMENTATION TIMELINE

McAllen International Airport

City Commission Approval
09/09/2024

Public Notice thru
10/31/2024

New Parking Rate Schedule to Commence
11/01/2024

Jeremy Santoscoy, P.E.

Director of Aviation | McAllen International Airport

CITY OF McALLEN

ITEM SUMMARY

BOARD:	AGENDA ITEM	4.A.
	DATE SUBMITTED	
	MEETING DATE	9/9/2024

1. Agenda Item: Consideration of Economic Development matters. (Section 551.087, T.G.C)

2. Party Making Request: Isaac Tawil

3. Nature of Request: Consideration of Economic Development matters. (Section 551.087, T.G.C)

4. Routing:
   Amy Gonzalez Created -

5. Staff Recommendation:

6. Advisory Board:

7. City Attorney:

8. Manager's Recommendation:

ITEM SUMMARY

BOARD:	AGENDA ITEM	4.B.
	DATE SUBMITTED	
	MEETING DATE	9/9/2024

1. Agenda Item: Consultation with City Attorney regarding legal issues related to employee benefit options. (Section 551.071, T.G.C.)

2. Party Making Request: Isaac Tawil

3. Nature of Request: Consultation with City Attorney regarding legal issues related to employee benefit options. (Section 551.071, T.G.C.)

4. Routing:
   Amy Gonzalez Created -

5. Staff Recommendation:

6. Advisory Board:

7. City Attorney:

8. Manager's Recommendation: