

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF MCALLEN**

The McAllen Board of Commissioners convened in a Workshop on **Monday, September 22, 2025**, at 4:00 pm, at McAllen City Hall Third Floor (3rd) Commission Chambers.

Mayor Javier Villalobos, Mayor Pro Tem Victor “Seby” Haddad, Commissioner Antonio “Tony” Aguirre, Commissioner Joaquin Zamora, Jr., Commissioner Rolando “Rolly” Rios, and Commissioner Jose R. “Pepe” Cabeza de Vaca were present

Absent: Commissioner Rodolfo “Rudy” Castillo

Also, present City Manager Isaac Tawil, City Attorney Austin Stevenson, Deputy City Manager Michelle Rivera, Assistant City Manager Jeff Johnston, Assistant City Manager Elvira Alonso, City Secretary Perla Lara

CALL TO ORDER

Mayor Javier Villalobos called the meeting to order at 4:00 pm.

1. PRESENT QUESTIONS RELATING TO STAFF RELATING TO THE SEPTEMBER 22nd REGULAR MEETING AGENDA, TO BE DISCUSSED AT SUCH A MEETING.

No questions were presented by the City Commissioners to staff concerning the agenda for the regular September 22nd meeting.

2. TEXAS DEPARTMENT OF TRANSPORTATION – JACKSON ROAD FROM 495 TO HALL ACRES ROAD PROJECT UPDATE.

A presentation was delivered by Pete Alvarez and Rex Conley regarding proposed improvements to Jackson Road, spanning from FM 495 to Hall Acres Road. Staff followed with a brief overview of the project scope, which includes widening the existing roadway from four to six lanes and constructing a raised concrete median to reduce congestion, improve mobility, and enhance roadway safety.

Staff reviewed the features of the proposed alternatives and their potential impacts. They touched on existing conditions and noted the schematic level of service. The discussion included the 2023 level of service on Moore Road and adjacent side streets, as well as public concerns that had been presented. Staff indicated that continuing with the project would result in noticeable improvements.

Recommendations incorporated into the final schematic were also reviewed, including:

- Construction of a dual left-turn lane island at the intersection of East Laurel Avenue and West Warren Street
- Restriction of Jackson Road crossing traffic from side roads
- Implementation of a continuous green T signalized intersection at Jackson Road and Kelly Avenue
- Use of full-depth continuously reinforced concrete pavement (CRCP) throughout the intersection, replacing asphalt pavement and including two frontage roads

Project schedule was provided as follows:

- Preferred alternative confirmed at DCC meeting November 2023
- Public Meeting held March 2024
- Value Engineering Study completed January 2025
- ROW survey and legal descriptions started April 2025
- Final Draft Analysis received June 2025
- Final Schematic concurrence received July 2025
- Notice of Opportunity to Comment (NOC) complete August 2025
- Environmental NEPA clearance expected November 2025
- PS&E development and ROW acquisition are delayed due to budget constraints but will continue coordination efforts with adjacent stakeholders

It was noted that the schedule is tentative and requires extensive coordination, with efforts underway to accelerate the construction timeline.

Comments and concerns were shared during the discussion. Questions were raised regarding drainage requirements, the potential need to upsize the storm sewer system, the location of the outfall, main drainage ditches, impacts on the east side, and right-of-way acquisitions. Additional inquiries included whether the schematic design had been finalized and requests for maps and sketches. Staff addressed each of the questions presented.

3. PRESENTATION ON THE PROPOSED MCALLEN PUBLIC UTILITY BUDGET FOR FISCAL YEAR 2025-2026.

Mark Vega, Utility Manager, provided a brief overview of the MPU budget process. Staff presented the proposed 2025–2026 budget and reviewed key topics including Amistad-Falcon reservoir levels, the Rio Grande River watershed, U.S. Mexico reservoir conditions, ownership and water deliveries, and Mexico’s delivery opportunities. A drought status update was also shared, with staff noting that Texas typically experiences drought conditions every four to five years.

Discussion also addressed rising operations costs, including chemicals, employee compensation, and electricity as well as potential state funding strategies such as brackish water desalination, the State Revolving Fund, Bureau of Reclamation grants and water quality initiatives.

Additional topics included water management and quality strategies, depreciation funding, and proposed rate adjustments. Staff also discussed current and future water projects, including a schematic of the proposed project initiative involving four wells, future development plans, and the engineer’s cost estimate.

Staff also discussed the Water Management Strategies and Funding Discussion and reviewed various alternative water supply projects, including:

- Vista Ridge Pipeline – \$2.8 billion
- El Paso Dell City Water Project – over \$1 billion
- Corpus Christi Seawater Desalination – over \$1 billion
- Brownsville Groundwater Desalination – \$213 million

Potential funding sources identified included the Bureau of Reclamation (BOR), Texas Water Development Board (TWDB), and McAllen Public Utility (MPU).

Also discussed were the McAllen Public Utility (MPU) ongoing priorities and key initiatives currently underway or under consideration by MPU included:

- Development of a Brackish Desalination Plant
- Drought-related concerns, including raw water lease agreements
- Advanced Metering Infrastructure (AMI) Changeout Project
- Coordination with TxDOT on infrastructure projects
- Compliance with TCEQ regulations, including Lead & Copper Rule and emerging PFAS standards
- Participation in upcoming Utility Conferences
- CCN (Certificate of Convenience and Necessity) issues involving Moorefield and Gauranga Ranch
- Enhancing system resilience through backup power supplies

TWDB Loan Applications were discussed as follows:

- North Brackish Groundwater Treatment Plant
- Construction of a new elevated water tower
- Acquisition of surface water rights from HCID No. 1
- Development of a Transmission & Distribution Facility and Laboratory

Staff reviewed current and proposed commercial water rates, anticipated rate increases, and residential base rates. Comparative analyses were presented for residential usage at 5,000 gallons, and commercial usage at 20,000, 50,000, 200,000, and 500,000 gallons. It was noted that most of the rate increases will primarily affect commercial customers.

Comments and concerns were shared during the discussion. Questions were raised regarding the Morio Drain, test well sites, samples, and water commodity rate. Staff addressed each of the questions presented.

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. TEX. GOV'T. CODE §551.087.
- B) CONSULTATION WITH CITY ATTORNEY REGARDING LEGAL ASPECTS OF THE SPECIAL SESSIONS OF TEXAS LEGISLATURE. TEX. GOV'T. CODE §551.071.
- C) CONSULTATION WITH CITY ATTORNEY REGARDING LEGAL ASPECTS OF ORDINANCE ENFORCEMENT. TEX. GOV'T. CODE §551.071.
- D) CONSULTATION WITH CITY ATTORNEY REGARDING LEGAL ASPECTS OF CONTRACTUAL AGREEMENT. TEX. GOV'T. CODE §551.071.

PUBLIC COMMENT: None.

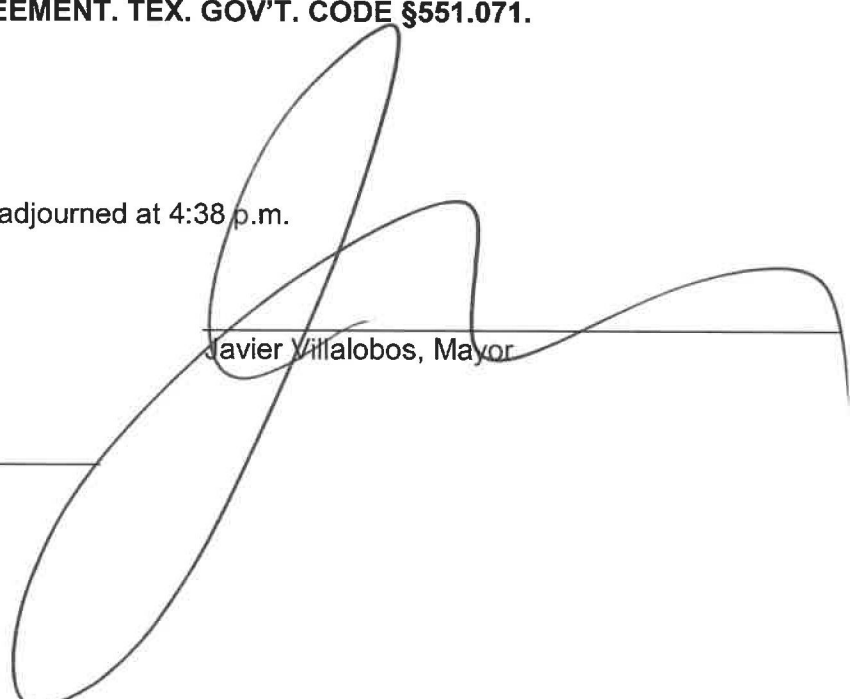
ADJOURN

Without objection, the meeting adjourned at 4:38 p.m.

Attest:



Perla Lara, TRMC/CMC, CPM
City Secretary



Javier Villalobos, Mayor