

THE STATE OF TEXAS
CITY OF RIO HONDO
COUNTY OF CAMERON

Juan Garza, Commissioner, Place 1
Diana Bustamante Zavala, Place 3
Jose S. Cavazos, Commissioner, Place 5

Esteban Bocanegra, Place 2
Esquiél Ríos, Commissioner, Place 4

Gustavo Olivares
Mayor

**Regular Meeting of the City Commission of the
City of Rio Hondo
June 23, 2026**

Pursuant to Chapter 551, Title 5 of the Texas Government Code, the Texas Open Meetings Act, notice is hereby given that the governing body of the City of Rio Hondo, Texas, will convene for a Regular Meeting at 6:00 p.m. on Tuesday, June 23, 2026, at the City Commission Chambers on the Second Floor of the Rio Hondo Municipal Building located at 121 N. Arroyo Blvd., Rio Hondo, Texas 78583.

Call meeting to Order (Mayor)

PLEDGE OF ALLEGIANCE

UNITED STATES PLEDGE

INVOCATION:

Regular Agenda:

- 1. Mayor's and Commissioners' Reports**
- 2. Reports: Administration, Finance, Public Safety, Library, Senior Center, Parks, Utilities.**

Pursuant to Texas Government Code Section 551.0415, the City Commission, without having provided notice, may make reports about items of community interest if action is not taken and possible action is not discussed regarding the information provided in the report. "Items of community interest" include: (1) expressions of thanks, congratulations or condolence; (2) information regarding holiday schedules; (3) an honorary or salutory recognition of a public official, public employee, or another citizen, except the discussions regarding a change in the status of a person's public office or public employment is not an honorary or salutory recognition for the purposes of the City of Rio Hondo; (4) a reminder about an upcoming event organized or sponsored by the governing body; (5) information regarding a social, ceremonial or community event organized or sponsored by an entity other than the City of Rio Hondo that attended or is scheduled to be attended by a member of the governing body or an official or employee of the City of Rio Hondo; and (6) announcements involving an imminent threat to the public health and safety of people in the political subdivision that has arisen after the posting of the agenda.

- 3. Public Comment Period: Please note – The Public Comment Period is designated for hearing concerns regarding City of Rio Hondo Public Policy or City of Rio Hondo**

business that is or is not on the agenda or items listed on the agenda. The Public is allowed 3 minutes to address the Council. The speaker must identify themselves before speaking. A speaker request form must be submitted to the City Secretary prior to the meeting.

4. Consideration and action to approve the City Commission Minutes for March 24, 2026, and April 14, 2026. (City Administrator and Assistant Administrator).
5. Consideration and Action on Resolution 2026-08 authorizing the Operations Stone Garden Program to be operated for the Fiscal Year 2025-2026. (City Administrator and Public Safety Director)
6. Consideration and action on Resolution 2026-09 for the Rio Hondo Police Department Operation Lone Star to be operated for the fiscal year 2027. (City Administrator and Public Safety Director).
7. Consideration and Action on an Application Resolution and Certificate of the Secretary and Application Affidavit for an application for financing for water improvements from the Texas Water Development Board.
8. Discussion and Action on a \$10,000 dollar payment to East Rio Hondo to calculate the water rate for a possible water interconnection with the City of Rio Hondo.
9. Consideration and Possible Action on Resolution 2026-10 of the City of Rio Hondo authorizing and approving publication of Notice of Intention to issue Certificate of Obligation, complying with the requirements contained in Securities and Exchange Commission Rule 15c2-12, and providing for effective date.
10. Status Report on the Municipal Development District.
11. Public Hearing on the Preliminary Plat of Bobcat Estates.
12. Presentation on the preliminary plat of Bobcat Estates.
13. Consideration and Action on the City of Rio Hondo annexation plan and study areas.
14. Discussion and possible action on the request for qualifications submitted by auditing firms, and select the top-rated firm to perform independent financial review and audit services for the City of Rio Hondo.

Executive Session:

Deliberation of the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the City Administrator/City Secretary pursuant to Texas Government Code Section 551.07 4, unless the employee elects to have the deliberation in open session.

Executive Session:

Attorney consultation pursuant to Texas Local Government Code Section 551.071 regarding employment matters.

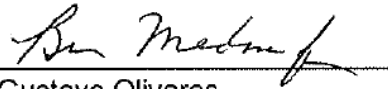
Open Session:

Consideration and Action on the appointment, employment, evaluation, reassignment, duties, or dismissal of the City Administrator/City Secretary.

Adjournment.

Note: The City Commission for the City of Rio Hondo has the right to adjourn into executive session at any time during this meeting to discuss any matters, as authorized by the Texas Government Code, including but not limited to Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

Note: The Meeting is accessible to Americans with Disabilities. Persons with disabilities who plan to attend this meeting and who may need assistance, please call the City Secretary at (956) 748-2102, with at least twenty-four hours prior to the meeting.



Gustavo Olivares

Mayor of the City of Rio Hondo

Attest:

I, Ben Medina Jr., City Administrator/City Secretary for the City of Rio Hondo, do hereby certify that this Notice of Meeting is a true and correct record and was posted in the bulletin board outside City Hall on June 17, 2026 at 4:00 pm and on the bulletin board in the City Hall lobby, at 121 N. Arroyo Blvd, Rio Hondo, Texas 78583 and remained so posted continuously with at least three (3) business days in between the posting date and the date of the Meeting.

Item #4

MINUTES FROM A SPECIAL MEETING ON APRIL 14, 2026

The Government Body of the City of Rio Hondo, Texas met in a Special Meeting on April 14, 2026 at 6:00 pm in the Commission Chambers at City Hall, with Mayor- Gustavo Olivares Presiding- Present, Mayor Pro-Tem – Juan Garza – Present, and Commissioners, Olga Galigos- Esteban Bocanegra, Diana Jean Bustamante-Zavala, and Jose Cavazos – ALL PRESENT

ALSO PRESENT:

Ben Medina - City Administrator
Lucy Garza – Finance Director
Robert Drinkard – City Attorney
Tina Garcia – Garcia & Pena
Ruben Pena – Law Office of Ruben Pena

Ana Hernandez – Asst. City Administrator
Julian Longoria – Police Chief
Jesus Huerta – City Employee
Manuel Garcia – Garcia & Pena
Juan Bujanos – JNB Engineering

PLEDGE OF ALLEGIANCE

INVOCATION: Led by Commissioner Juan Garza

Regular Agenda:

1. Mayor's and Commissioners Reports.

Ms. Gallegos stated that she been asked about the lights at Park. They are asking if the light can stay on longer at night. Mr. Medina was instructed to look into this. The Mayor added that due to the graffiti the park is now being closed off at night.

Mayor stated that he visited the pier and was very proud of how well the park is doing. He thanked the staff for doing a good job.

2. Reports: Administration

Mr. Medina reported that 2 new subdivisions have submitted preliminary plats. One being Arroyo Escondido the other subdivision consists of 34 lots which is Bobcat Estates. It will be on the next agenda for approval.

Mr. Medina reported that the Library had sustained damage after the rain. The Contractor that made roof repairs was present for any questions. Mr. Medina continued to say that the Library roof was sealed because it was leaking. This was \$15,000. The product used was to seal the roof. However, there was 2 leaks (1) around the a/c unit the metal part was rusted and had some holes. (2) some vents that were installed need to be sealed more. This has now been taken care of and no more leaks should occur.

The Mayor asked about the a/c and Mr. Medina replied that the part for the a/c should be here the following day and should be repaired by end of the week.

3. Public Comment Period **NO PUBLIC COMMENT**

4. Consideration and action to approve the City Commission Minutes for March 24, 2026.

Commissioner Bocanegra made a motion to table this item. Commissioner Gallegos seconded the motion, all voted "aye" to approve; motion carried.

5. Presentation of the October 1, 2024 to September 30, 2025, Single Audit by Garcia & Pena Auditors for the City of Rio Hondo.

Mr. Manuel Garcia presented the Audit to the Commissioners.

6. Consideration and Action authorizing the posting of and publishing of the Notice of May 2 General Election.

Mr. Medina stated that the attorney had researched if the election could be held in conjunction with the May 26 election and the answer was no.

Commissioner Bocanegra made a motion to authorize the posting and publishing of the Notice of May 2 General Election. Commissioner Cavazos seconded the motion, all voted "aye" to approve; motion carried.

7. Consideration and Action to approve a contract between Cameron County Election and Voter Registration Office and the City of Rio Hondo to conduct the May 2, 2026 General Election.

Commissioner Bocanegra made a motion to approve a contract between Cameron County Election and Voter Registration Office and the City of Rio Hondo to conduct the May 2, 2026 General Election. Commissioner Cavazos seconded the motion, all voted "aye" to approve; motion carried.

8. Second and Final Public Hearing and Action to approve Ordinance 2026-01 to amend the Building Permit and Developmental Fees.

Public Hearing Opened at 6:56 pm

Mr. Medina once again reviewed the new fees with commissioners. Mayor stated that fees were cut in half. This will be good for new permits to be issued.

Public Hearing Closed at 6:58 pm

Commissioner Cavazos made a motion to approve Ordinance 2026-01 to amend the Building Permit and Developmental Fees. Commissioner Bocanegra seconded the motion, all voted "aye" to approve; motion carried.

9. Second and Final Public Hearing and Action of Ordinance 2026-02 of the City of Rio Hondo Commission of the City of Rio Hondo, Texas amending its code of ordinances by providing for the establishment of regulations and administrative procedures for the governance and remediation of substandard structures, pursuant to chapter 214, subchapter A, Texas Local Government Code; providing for definitions, notice, hearings, remedies, assessment of costs, liens, and appeals; repealing conflicting ordinances; providing severability clause; and providing and effective date.

Public Hearing Opened at 6:59 pm

Mr. Medina stated that this Ordinance is to either demolish or have the owners of dilapidated buildings make repairs. Especially the buildings on the main street. Mr. Medina also stated that notices were sent to all owners whose buildings were identified as hazardous and in substandard conditions to inform them about this ordinance and public hearing. If owners do not comply, the city will pay for demolition and place liens on said properties.

A citizen asked how are the buildings identified. Mr. Medina responded that some are obvious but the others were identified by our Building Inspector.

The Council will have the final say once evidence is presented.

Mr. Juan Bujanos which was in attendance said he worked on a project with City of Harlingen in which the Army Reserve did the demolition for free. The only thing the City would pay would be the roll off containers.

Public Hearing Closed at 7:04 pm

Commissioner Bustamante made a motion to amend code of ordinances by providing for the establishment of regulations and administrative procedures for the governance and remediation of substandard structures, pursuant to chapter 214, subchapter A, Texas Local Government Code; providing for definitions, notice, hearings, remedies, assessment of costs, liens, and appeals; repealing conflicting ordinances; providing severability clause; and providing and effective date of April 22, 2026. Commissioner Bocanegra seconded the motion, all voted "aye" to approve; motion carried.

10. Discussion, Presentation and possible action regarding budgeted City Expenditures and reconciled actual expenditures with the budget.

Mr. Medina directed the floor to Commissioner Bocanegra since this item was placed on the Agenda at Commissioners Bocanegra & Garza's request.

Commissioner Bocanegra asked how many years has Mr. Medina been employed

Response: 14 years.

Commissioner Bocanegra also asked how many times in the 14 years that he's been here has he sent a court clerk for training. Mr. Medina responded that it was last year. Commissioner Bocanegra stated that the court clerk had stated to him that she has not attended. Mr. Medina then asked Ms. Hernandez that if that was correct. Ms. Hernandez replied that the training they had gone to was for E-grants. The Mayor stepped in and said not to question employees right there, instead for Mr. Medina to reply via email and to carbon copy him.

Commissioner Bocanegra then went on to refer to a line item on the budget that states it is for training. He continued to say that in 2020 we spent \$350 in 2021 - \$250, 2024 - \$200 and last year 2025 - \$200. He asked where the money was spent if not on training. Mr. Medina replied that some of that money was used by Judge Gonzales for training.

Commissioner Bocanegra also mentioned that at the last meeting they were provided with a check registrar and there was 4 checks for A-3 Contractors totaling \$48,277. Mr. Bocanegra wanted to know what line item were those checks paid from. Mr. Medina replied that it comes from different line items depending on the work being done.

Commissioner Bocanegra also wanted clarification on how they differentiate where the spending is occurring and is it a specific line item. Mr. Bocanegra wants to know how we are budgeting

correctly. Ms. Lucy Garza replied to Commissioner Bocanegra stating the A3 contractors is normally billed to water or sewer under maintenance and repairs, water lines, plant repairs, water taps, sewer taps, supplies. Commissioner Bocanegra asked if we use other contractors or just A3. Mr. Medina replied other contractors are used as well. Commissioner Bocanegra was under the impression that Noe Perez was a City employee and asked how does he bill. Is each department getting billed accordingly? Commissioner stated that this is in preparation for next year he'd like a comparison from previous years. Mr. Medina replied that every time we are preparing for the upcoming budget he provides everyone with the 3 previous years. Commissioner Bocanegra stated that he did not want any employee to be terminated for speaking with him because that could be seen as retaliation. Commissioner Bocanegra stated that an employee was told not to purchase a new water meter for the laundromat and was instructed to use an old one. Commissioner Bocanegra spoke to Mr. Garza and found that Mr. Garza's meter is not working properly. Mr. Medina replied that the meter has been ordered and will be installed. Mr. Medina asked Commissioner Bocanegra that whenever he has questions he should come talk to him and not staff because he is getting the wrong information. The Mayor stated that the person was the Interim Public Works Director and that Commissioner Bocanegra could speak to him. The Mayor added that Mr. Medina should have better communication with employees because this employee was not aware that the meter had been ordered. Mr. Medina also added that this position will be opened to hire the correct person. The Mayor said that he has instructed Mr. Medina to open up the positions and hire permanent employees. The Mayor said that the temporary services should be just that temporary. We need to hire permanent employees that get benefits.

Mr. Bocanegra then moved on to speak about the Fire Department stating that we have used \$24,000 but that it's clearly we haven't used \$24,000 in repairs. Mr. Medina replied that a lot of that was for power washing. Lucy Garza also replied stating that if any commissioner would want a more detailed report, she can definitely can produce a report by line item showing what was paid for and from what line item. Commissioner Cavazos asked Ms. Garza if she would be able to produce receipts showing how those \$24,000 was spent. Ms. Garza replied that she could but to give her time.

The Mayor asked Lucy if she can provide a report of all the expenditures. The Mayor wants a report by department. The Mayor wants to make sure the directors understand their budgets and each director should be managing their own budgets. Commissioner Bocanegra asked about the Library stating that for FY 2023-24 line item Bldg. Repairs and Maintenance we allocated \$20,000 and for 2024-2025 we allocated \$63,000. He remembers that the roof was getting repaired and the a/c too. So his question is if we repaired it why is it leaking again.

The Contractor that fixed roof was present and explained to the Commissioners what was done and what is going to be done to repair the roof.

No action was taken by the City Commission.

11. Consideration and action in the possible engagement of a Certified Public Accounting firm to perform the September 30, 2025, to October 1, 2026, single audit in accordance with state laws.

Mr. Bocanegra suggested that we hire a new firm for the audit, Mr. Medina agreed. Mr. Medina stated that he will post for RFQ's and the board can select from those applicants.

Commissioner Bocanegra made a motion to authorize to go out for RFQ's of a Certified Public Accounting Firm to perform the September 30, 2025 to October 1, 2026, single audit in accordance with state laws. Commissioner Cavazos seconded the motion, all voted "aye to approve"; motion carried

12. Discussion and possible action regarding general city personnel matters, including employee job descriptions, employee duties and responsibilities, organizational and staffing considerations, compensation (salary/and hourly pay), and related administrative issues.

Commissioner Bocanegra asked if any city employee gets paid a stipend. Mr. Medina replied "no," stipends are illegal. Commissioner Bocanegra acknowledged the job descriptions in his packet but questioned some positions such as Assistant Senior Director/Finance Auditor. Mr. Medina replied that position is held by Polly Cortez. Commissioner Bocanegra asked if she gets paid from 2 line items. Mr. Medina replied yes.

The Mayor asked when was this position approved. Mr. Medina replied that we've always had it. Mayor replied that he did not know this. Mayor doesn't believe an
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Assistant is needed there.

Commissioner Bocanegra asked if we are competitive with other cities. Mr. Medina replied yes. Commissioner Bocanegra asked what Mr. Medina's salary was. Response \$97,000. Mr. Medina asked why was his salary being questioned and he felt he was being discriminated because of his age. Commissioner Bocanegra also asked does the footprint of personnel match what we are doing. He feels that if we do not adjust what we are currently doing once the 2nd road comes we are going to stay behind.

Mr. Medina stated that in small cities all employees wear different hats. The City cannot afford more personnel. As we grow or raise taxes then we can hire more staff.

The Mayor reiterated that he instructed Mr. Medina to post the positions for the Parks staff and keep it posted for 5 days to give everyone a chance to apply. The Express staff can apply and if they are the best candidates we will hire them. Mr. Medina stated that the reason this was done was because we were having a big turn over, this way we vet them before we hire them as permanent employees. Mayor did state that maybe in the future depending on how well the park is doing we might be able to add another employee.

13. Consideration and possible action regarding the evaluation and duties of the City Administrator.

Commissioner Bocanegra stated that a lot of questions have already been answered on previous items. He did ask if there was anything Mr. Medina needed from the Commission. Mr. Medina asked all the Commissioners that when they have questions to come to him. Mr. Medina again stated that he felt being discriminated. Commissioner Bocanegra stated that in his past experience, he has been by twice and Mr. Medina has not been in the office. Mr. Medina stated that he can call him and set up a meeting. Commissioner Bocanegra added that he knew nothing about TCEQ violations but the Mayor knew. Mr. Medina replied that it has been talked about in previous meeting. These violations occurred in 2024. When Ruben came in he took action right away. TCEQ has been here training staff. The penalty will not be paid.

14. Consideration and Action canceling the April 28, 2026, City Commission meeting and scheduling a Special Meeting on May 12, 2026.

Mr. Medina is requesting to cancel the April 28, 2026 City Commission meeting due to he is working on a project that is taking a lot of his time.

Commissioner Bocanegra against cancelling meeting. He wants reports from Senior Center and Library.

Commissioner Cavazos wants to keep the meeting of April 28, 2026.

Commissioner Bocanegra made a motion to table this item. Commissioner Cavazos seconded the motion, all voted "aye to approve; motion carried

15. Consideration and Action allocating funds for the relocation of the Police Department to the Old High School Building on Harrolds Street.

Mayor asked for this item to be place on Agenda. He stated that we've had this building for over a year and there is a wing in there that almost complete and the Chief's office is not in the best condition. The Chief has outgrown his office. Phone lines, internet, and a/c are needed. The School also donated some workout equipment and want to add a gym for the fire volunteers and the police department. He asks for the commission approval to allocate these funds for some repairs.

Commissioner Bustamante made a motion to allocate \$24,000 for the relocation of the Police and Fire Department to the Old High School Building on Harrolds Street. Commissioner Gallegos seconded the motion, all voted "aye" to approve; motion carried.

16. Executive Session: Attorney consultation pursuant to Texas Government Code Section 551.071 to discuss claim or potential lawsuit related to ex-employees.

Attorney consultation pursuant to Texas Government Code Section 551.071 to discuss a lawsuit related to William Bilokury.

The Commission went into Executive Session at 8:05
The Commission came out of Executive Session 8:40

17. Consideration and Action regarding items discussed in Executive Session.
No Action was taken of items discussed in Executive Session.

18. Adjournment: the Meeting was adjourned at 8:42 pm

Approved:

Gustavo Olivares, Mayor

Date

Attest:

Ben Medina Jr., City Administrator

MINUTES FROM A REGULAR MEETING ON March 24, 2026

The Government Body of the City of Rio Hondo, Texas met in a Regular Meeting on March 24, 2026 at 6:00 pm in the Commission Chambers at City Hall, with Mayor- Gustavo Olivares Presiding- Present, Mayor Pro-Tem – Juan Garza – Present, and Commissioners, Olga Gallgos-Esteban Bocanegra, Diana Jean Bustamante-Zavala, and Jose Cavazos – ALL PRESENT

ALSO PRESENT:

Ben Medina - City Administrator

Ana Hernandez – Asst. City Administrator

Lucy Garza – Finance Director

Julian Longoria – Police Chief

Robert Drinkard – City Attorney

Kenneth Prather - Citizen

PLEDGE OF ALLEGIANCE

INVOCATION: Led by Commissioner Juan Garza

Regular Agenda:

1. Mayor's and Commissioners' Reports

- Mayor asked that we contact AEP to improve visibility at need more lighting
- Mayor asked that Arbor Day activities be put on next month's agenda

2. Reports: Administrator

- Catherine St stormwater is scheduled for paving.
- Mira Mar, Killinger St, and Harrold St are almost complete and final pavements are being done by TXCDBG. Payment delayed due to State delays.
- Heywood/Roberto Garza stormwater project will begin on April 3, starting at area along Arroyo St. They will work through summer. Mr. Medina will work with school district to change bus route to Harrold St.
- Getting quotes for a crack sealing machine
- Interior lighting to begin in April 2026.
- ALERRT & Bullet Proof Vest Grants written
- After School Program with RHISD for a Boys & Girls Club
- Water line Replacement
- Sewer Line Replacement and Extension of Service

- Downtown Grant for lighting and parking

Parks:

- Park Pavilion and Electrical boxes are being fenced
- Fully staffed
- Cleaning and improving City Hall green areas
- Getting quotes for elevator repairs

Senior Center:

- Canvas painting 18 participants
- 23 registered participants

Utilities Dept:

- Water plant is undergoing repairs
- TCEQ is again visiting and training staff
- Finding have been addressed and sent to staff
- Plant is fully operational

Finance:

- Lucy Garza presented financial reports to Commissioners (packet attached)

Mayor asked for charges to be broken down on reports from Lucy. To plan better for following budget.

Police Dept

Chief Longoria reported for Police Department (packet attached)

Municipal Court

Ana Hernandez reported for the court the following:

Month	Money Retained by City	Money Remitted to State	Total Amount Collected
January 2026	\$4,265.12	\$2,598.56	\$6,863.68
February 2026	\$3,439.04	\$1,673.73	\$5,112.77
March 2026	\$994.16	\$565.54	\$1,559.80

Month	Citations Issued	Warnings Issued
November 2025	34	61
December 2025	40	74
January 2026	9	9
February 2026	6	43
March 2026	14	100

3. **Public Comment Period:** *Please Note- The Public Comment Period is designated for hearing concerns regarding City of Rio Hondo Public Policy or City of Rio Hondo business that is or is not on the agenda or items listed on the agenda.*

Mr. Prather asked the council to please look into Catherine St. He feels that once the project is complete and it rains the people residing there will get flooded. According to Mr Prather he has a lot of experience. Claims water will not drain properly and the citizens will flood. Mayor asked Mr. Medina to look into this matter.

4. **Consideration and action to approve the City Commission Minutes for February 24, 2026.**

Commissioner Garza made a motion to approve the February 24, 2026, City Commission Minutes. Commissioner Gallegos seconded the motion, all voted "aye" to approve; motion carried

5. **Consideration and Action authorizing the posting and publishing the Notice of May 2 General Election.**

NO ACTION TAKEN – MR. MEDINA WAS INSTRUCTED TO SEE IF CITY ELECTION CAN RUN WITH PRIMARY RUN OFF ELECTION ON MAY 26, 2026

6. **Consideration and Action to approve a contract between Cameron County Election and Voter Registration Office and the City of Rio Hondo to conduct the May 2, 2026.**

NO ACTION TAKEN – MR. MEDINA WAS INSTRUCTED TO SEE IF CITY ELECTION CAN RUN WITH PRIMARY RUN OFF ELECTION ON MAY 26, 2026

7. **Consideration and action on a Use Agreement for the City of Rio Hondo City/County Park Soccer Field between the City of Rio Hondo and the Rio Hondo Soccer Development Program.**

Mr. Medina stated that this is a group that wants to develop a soccer program in our Community. The contract has been reviewed by our attorney. They are asking for the use of the soccer fields during the week. The contract is for one (1) year. Will not be exclusive use.

Mr. Drinkard made some minor modifications to the contract.

Commissioner Bocanegra made a motion to approve a Use Agreement for the City of Rio Hondo City/County Park Soccer Field between the City of Rio Hondo and the Rio Hondo Soccer Development Program. Commissioner Bustamante seconded the motion, all voted "aye" to approve; motion carried.

8. Public Hearing and possible action to approve Ordinance 2026-01 to amend the Building Permit and Developmental Fees.

PUBLIC HEARING OPENED AT 6:43 pm

Mr. Medina explained the permit fees and how to calculate a permit. After discussion amongst commissioners it was agreed to modify some of the fees to a lesser amount as follows:

\$335	to	\$250
\$1135	to	\$850
\$1,635	to	\$1,225

PUBLIC HEARING CLOSED AT 6:56 pm

Commissioner Garza made a motion to approve Ordinance 2026-01 to amend the Building Permit and Developmental Fees with 25% reduction as follows:

\$335	to	\$250
\$1135	to	\$850
\$1,635	to	\$1,225

for an average of 25% reduction. Commissioner Bustamante seconded the motion; all voted "aye" to approve, motion carried.

9. Consideration and action on Resolution 2026-10 authorizing the submission of an application to the Texas Department of Agriculture for Funding through the Texas Community Development Block Grant (TXCDBG) Downtown Revitalization Program; authorizing the Mayor to act as the City's authorized representative; and authorizing the commitment of local matching funds.

Mr. Medina asked that the commission pass this resolution. Application is due on May 3rd. Funds from this grant will be used for downtown which will include solar lighting, parking, and paving food truck.

Commissioner Garza made a motion to approve Resolution 2026-10 authorizing the submission of an application to the Texas Department of Agriculture for Funding through the Texas Community Development Block Grant (TXCDBG) Downtown Revitalization Program; authorizing the Mayor to act as the City's authorized representative; and authorizing the commitment of local matching funds. Commissioner Bustamante seconded the motion; all voted "aye" to approve, motion carried.

10. Discussion and Action authorizing a Memorandum of Understanding (MOU) establishing the Rio Hondo Primary Health Clinic between Brownsville Community Health Clinic Corp. Dba New Horizon Health Center, NIÑOS Head Start, the City of Rio Hondo, and the Rio Hondo Independent School District.

Mr. Medina gave background on how this project came to be. He stated that the Brownsville Community Health Clinic Corp wanted to set a clinic here in Rio Hondo and NIÑOS which already partners with them invited them to Rio Hondo to look at some of the empty buildings they have. NIÑOS will be providing the building free of charge but they are asking the City to provide water & sewer for the first year. Physician has already been hired and they are looking to hire some CNA's and front desk person.

Commissioner Bocanegra made a motion to authorize a Memorandum of Understanding (MOU) establishing the Rio Hondo Primary Health Clinic between Brownsville Community Health Clinic Corp. Dba New Horizon Health Center, NIÑOS Head Start, the City of Rio Hondo, and the Rio Hondo Independent School District. Commissioner Gallegos seconded the motion, all voted "aye" to approve; motion carried.

11. Consideration and action on first reading of Ordinance 2026-02 of the City Commission of the City of Rio Hondo, Texas amending its code of ordinances by providing for the establishment of regulation and administrative procedures for the governance and remediation of substandard structures, pursuant to chapter 214, subchapter A, Texas Local Government Code; providing for definition, notice, hearings, remedies, assessment of costs, liens, and appeals; repealing conflicting ordinances; providing severability clause; and providing and effective date.

Mr. Medina explained the meaning of this ordinance which is demolition by neglect he stated that there is some buildings downtown that roofs are caved in making them a hazard. With this ordinance we send notices to said owners and if there is no response they will get penalized. We can then start placing liens on those properties; this will put pressure on the owners. This include residential and commercial buildings.

Commissioner Bocanegra made a motion on the first reading of Ordinance 2026-02 of the City Commission of the City of Rio Hondo, Texas amending its code of ordinances by providing for the establishment of regulation and administrative procedures for the governance and remediation of substandard structures, pursuant to chapter 214, subchapter A, Texas Local Government Code; providing for definition, notice, hearings, remedies, assessment of costs, liens, and appeals; repealing conflicting ordinances; providing severability clause. Commissioner Cavazos seconded the motion, all voted "aye" to approved; motion carried.

12. Consideration and action on first reading of Ordinance 2026-07 of the City Commission of the City of Rio Hondo, Texas; waiving the required parking requirement of two (2) parking spaces per dwelling unit and approving one (1) parking space per dwelling unit for Case de Valle Elderly Housing Comple located at

201 Morning Glory Street, Rio Hondo, Texas; providing for findings; and providing for an effective date.

This had passed as a Resolution on February 24, 2026 but legal advice from Attorney stated that it had to be passed as an Ordinance.

Commissioner Cavazos made a motion to approve the first reading of Ordinance 2026-07 of the City Commission of the City of Rio Hondo, Texas; waiving the required parking requirement of two (2) parking spaces per dwelling unit and approving one (1) parking space per dwelling unit for Case de Valle Elderly Housing Comple located at 201 Morning Glory Street, Rio Hondo, Texas; providing for findings; and providing for an effective date. Commissioner Bustamante seconded the motion, all voted "aye" to approve; motion carried.

13. Consideration and action on Resolution 2026-11 authorizing the submission of a grant to the Texas Department of Human Services for a grant in partnership with the Rio Hondo Independent School District for an after-school program and the development of a Boys and Girls Club.

Mr. Medina addressed the Council regarding this grant. He stated that the School District is leading this project, however they cannot apply for this grant only Municipalities that is why they are asking us to submit. The school will provide the gymnasium. The grant will offer the pay for staff at the Boys & Girls Club. Another thing that is being looked at is to offer training for High School to graduate as a Water Operator with a D License.

Commissioner Cavazos made a motion to approve Resolution 2026-11 authorizing the submission of a grant to the Texas Department of Human Services for a grant in partnership with the Rio Hondo Independent School District for an after-school program and the development of a Boys and Girls Club. Commissioner Bocanegra seconded the motion, all voted "aye" to approve; motion carried.

14. Status Report on the Water and Sewer Plant Projects.

Mr. Medina reported that TCEQ is currently doing training for the employees. This gives our employees credit hours which are needed to keep their licenses. All TCEQ issues have been resolved.

15. Consideration and Acknowledgement of the City of Rio Hondo Single Audit from October 1, 2024 to September 30, 2025.

Commissioner Garza made a motion to acknowledge the receipt of the City of Rio Hondo Single Audit from October 1, 2024 to September 30, 2025. Commissioner Cavazos seconded the motion; all voted "aye" to approve; motion carried.

NO ACTION NEEDED – There will be a Special Meeting for presentation of Audit on April 14, 2026.

16. Adjournment

Commissioner Gallegos made a motion to adjourn meeting at 8:40 p.m.
Commissioner Bocanegra seconded the motion; all voted "aye to approve", motion carried.

Approved:

Gustavo Olivares, Mayor Date

Attest:

Ben Medina, City Administrator Date

Item #5

Resolution 2026-08

WHEREAS, The City Commission of the City of Rio Hondo, Texas finds it in the best interest of the citizens of Rio Hondo, Texas that the Operation Stone Garden Program be operated for the Fiscal Year 2025-2026; and

WHEREAS, the City Commission of the City of Rio Hondo, Texas, agrees to provide applicable matching funds for the said project as required by the Operation Stone Garden grant application; and

WHEREAS, the City Commission of the City of Rio Hondo, Texas, agrees that in the event of loss or misuse of the Office of the Governor funds, the City Commission of the City of Rio Hondo, assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City Commission of the City of Rio Hondo, Texas designates Ben Medina Jr., City Administrator, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

WHEREAS, the City Commission of the City of Rio Hondo, Texas designates Lucia Garza, Finance Director, as the grantee's financial officer. The financial officer is given the power to submit financial and/or programmatic reports or alter a grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City Commission of the City of Rio Hondo, Texas, approves submission of the grant application for the Operation Stone Garden

Passed and Approved on this 23rd day of June 2026.

Grant Number: 4323606

Gustavo Olivares, Mayor

Attest:

Ben Medina Jr., City Administrator

Item #6

Resolution 2026-09

WHEREAS, The City Commission of the City of Rio Hondo, Texas finds it in the best interest of the citizens of Rio Hondo, Texas that the Rio Hondo PD – Operation Lone Star be operated for the fiscal year 2026-2027; and

WHEREAS, the City Commission of the City of Rio Hondo, Texas, agrees to provide applicable matching funds for the said project as required by the Operation Lone Star FY 2026-2027 grant application; and

WHEREAS, the City Commission of the City of Rio Hondo, Texas, agrees that in the event of loss or misuse of the Office of the Governor funds, the City Commission of the City of Rio Hondo, assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City Commission of the City of Rio Hondo, Texas designates Ben Medina Jr., City Administrator, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City Commission of the City of Rio Hondo, Texas, approves submission of the grant application for the Peace Officer Mental Health Program to the Office of the Governor.

Passed and approved on this 23rd day of June, 2026.

Grant Number: 5973201

Gustavo Olivares, Mayor

Attest:

Ben Medina Jr., City Administrator

Item #7

(SEAL)

RESOLUTION 2026-11

A RESOLUTION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD FOR CONSTRUCTING VARIOUS PUBLIC IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM; AUTHORIZING THE CITY'S FINANCIAL ADVISORS, BOND COUNSEL, AND ENGINEERS TO COORDINATE THE SUBMISSION OF THE APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the maintenance and expansion of water utilities for the City of Rio Hondo, Texas (sometimes "City") is necessary to provide for the health, safety, and welfare of its citizens; and

WHEREAS, in order to undertake various public improvements to the City's utility system, the City of Rio Hondo, Texas requires additional funding in order to realize the successful completion of said improvements; and

WHEREAS, the City therefore deems it necessary to apply to the Texas Water Development Board (sometimes "TWDB") for financial assistance; and

WHEREAS, in accordance with the rules and regulations of the Board, which govern the procedures in making such an application, the governing body of the City is required to pass a resolution to accompany such application; now, therefore,

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF RIO HONDO, TEXAS THAT:

1. The City cannot reasonably finance the public improvements to the City water utility system (the "Project", attached herein as Exhibit A) without the financial assistance of the TWDB in the amount requested.

2. The City hereby requests that the TWDB grant financial assistance to the City in an amount not to exceed \$5,320,000.00 from the Drinking Water State Revolving Fund (as a loan or by the purchase of obligations of the City and the receipt of the largest amount of grant funds lawfully available from the Board) for constructing improvements to the City's utility system, as designed by the City's consulting engineer and as provided in the Project specifications, and the purchase of the necessary land and rights-of-way relating to this project. These obligations may be issued by the City in one or more series.

3. The Mayor or City Administrator of the City is hereby authorized to execute and submit the application to the TWDB for such financial assistance, and the Mayor or City Administrator of the City, together with any bond counsel, financial advisors and consulting engineers named in such application and retained by the City, are authorized to appear before the TWDB in support of such application.

4. The Mayor of the City is further specifically authorized to make the required assurances to the TWDB in accordance with TWDB rules, regulations, and policies.

5. A certified copy of this Resolution shall be attached to the application for financial assistance herein authorized to be prepared and submitted to the TWDB, and the City Secretary of the City is authorized and directed to prepare and certify such number of copies of this Resolution as may be required for purposes of supporting the submission of such application to the TWDB.

6. The City Commission authorizes the Mayor or the City Administrator , to take all actions necessary to execute any necessary financial advisory contract with Estrada Hinojosa & Company, Inc., San Antonio, Texas, as the financial advisor to the City (the Financial Advisor) and Guzman & Munoz Engineering & Surveying Inc., as the engineer to the City (the Engineer). The City Commission understands that under applicable federal securities laws and regulations, the City must have a contractual agreement with its Financial Advisor relating to the sale, issuance, and delivery of the Bonds. In addition, the City Commission also authorizes the Mayor or the City Administrator to take all actions necessary to execute any necessary engagement agreement with the Engineer and with Norton Rose Fulbright US LLP, as the bond counsel to the City (Bond Counsel). Execution of such engagement agreements also constitute a prerequisite to the City's filing of its application with the Board.

7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City.

8. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

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

11. It is officially found, determined, and declare& that the meeting at which this Resolution 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 Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

12. This Resolution shall be in force and effect from and after its passage on the date shown below. .

PASSED, ADOPTED, AND APPROVED on the 26th day of June, 2026.

Mayor

Attest:

Ben Medina, City Administrator

(CITY SEAL)

Item #9

RESOLUTION _____

A Resolution by the City Commission of the City of Rio Hondo, Texas authorizing and approving publication of Notice of Intention to issue Certificates of Obligation; complying with the requirements contained in Securities and Exchange Commission Rule 15c2-12; and providing an effective date

WHEREAS, the City Commission (the *City Commission*) of the City of Rio Hondo, Texas (the *City*) has determined that it is advisable and necessary to issue and sell one or more series of certificates of obligation (the *Certificates*) in an amount not to exceed \$2,000,000 as provided pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through Section 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) designing, demolishing, constructing, renovating, improving, reconstructing, restructuring and extending streets and thoroughfares and related land and right-of-way sidewalks, streetscapes, collectors, drainage, landscape, signage, acquiring lands and rights-of-way necessary thereto or incidental therewith; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving City public safety facilities and signage, including renovations to the police department; (3) designing, planning, building, improving, extending, enlarging, and repairing the City's utility system; (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; and

WHEREAS, prior to the offering, sale, and issuance of the Certificates, the appropriate officials of the City must review and approve the distribution of a "deemed final" preliminary official statement (the *Official Statement*) in order to comply with the requirements contained in 17 C.F.R. §240.15c2-12 (the *Securities and Exchange Commission Rule*); and

WHEREAS, based upon their review of the Official Statement, the appropriate officials of the City must find to the best of their knowledge and belief, after reasonable investigation, that the representations of facts pertaining to the City contained in the Official Statement are true and correct and that, except as disclosed in the Official Statement, there are no facts pertaining to the City that would adversely affect the issuance of the Certificates or the City's ability to pay the debt service requirements on the Certificates when due; and

WHEREAS, the City Commission will comply with the requirements contained in the Securities and Exchange Commission Rule concerning the creation of a contractual obligation between the City and the proposed purchaser(s) of the Certificates (the *Purchasers*) to provide the Purchasers with an Official Statement in a time and manner that will enable the Purchasers to comply with the distribution requirements and continuing disclosure requirements contained in the Securities and Exchange Commission Rule; and

WHEREAS, the City Commission authorizes the Mayor, City Administrator, City Secretary, and the City Attorney, as appropriate, or their designees, to review, approve, and execute any document or certificate in order to allow the City to comply with the requirements contained in the Securities and Exchange Commission Rule; and

WHEREAS, prior to the issuance of the Certificates, the City Commission is required to publish notice of its intention to issue the Certificates in a newspaper of general circulation in the City, and if the City maintains an internet website, publish such notice of intent on the City's internet website, such notice stating (i) the time and place the City Commission tentatively proposes to pass the ordinance authorizing the issuance of the Certificates, (ii) the purposes for which the Certificates are to be issued, (iii) the manner in which the City Commission proposes to pay the Certificates; (iv) the then-current principal amount of all outstanding ad valorem debt obligations of the City; (v) the then-current combined principal and interest required to pay all outstanding ad valorem debt obligations of the City on time and in full, which may be based on the City's expectations relative to the interest due on any variable rate ad valorem debt obligations; (vi) the maximum principal amount of the Certificates to be authorized; (vii) the estimated interest rate for the Certificates to be authorized or that the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (viii) the maximum maturity date of the Certificates to be authorized; and

WHEREAS, the City Commission hereby finds and determines that such documents pertaining to the sale of the Certificates should be approved, and the City should proceed with the giving of notice of intention to issue the Certificates in the time, form, and manner provided by law; and

WHEREAS, the City Commission hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF RIO HONDO, TEXAS THAT:

SECTION 1. The City Secretary is hereby authorized and directed to cause notice to be published of the City Commission's intention to issue the Certificates in an amount not to exceed \$2,000,000 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) designing, demolishing, constructing, renovating, improving, reconstructing, restructuring and extending streets and thoroughfares and related land and right-of-way sidewalks, streetscapes, collectors, drainage, landscape, signage, acquiring lands and rights-of-way necessary thereto or incidental therewith; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving City public safety facilities and signage, including renovations to the police department; (3) designing, planning, building, improving, extending, enlarging, and repairing the City's utility system; (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. The Certificates will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and additionally from a pledge of and lien on certain revenues derived from the operation of the

City's utility system. The notice hereby approved and authorized to be published shall read substantially in the form and content of Exhibit A attached hereto, which notice is incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2. The City Secretary shall cause the notice described in Section 1 to be published in a newspaper of general circulation in the City, once a week for two consecutive weeks, the date of the first publication shall be at least forty-six (46) days prior to the date stated therein for passage of the ordinance authorizing the issuance of the Certificates. Additionally, the City Secretary shall cause the notice described in Section 1 to be posted continuously on the City's website for at least forty-five (45) days prior to the date stated therein for passage of the ordinance authorizing the issuance of the Certificates.

SECTION 3. The Mayor, City Administrator, City Secretary, and the City Attorney, as appropriate, or their designees, are authorized to review and approve the Official Statement pertaining to the offering, sale, and issuance of the Certificates and to execute any document or certificate in order to comply with the requirements contained in the Securities and Exchange Commission Rule.

SECTION 4. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Commission.

SECTION 5. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 7. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Commission hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 8. It is officially found, determined, and declared that the meeting at which this Resolution 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 Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 9. This Resolution shall be in force and effect from and after the date of its adoption, and it is so resolved.

[The remainder of this page intentionally left blank.]

PASSED AND APPROVED, this the 23rd day of June, 2026.

CITY OF RIO HONDO, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

Exhibit A

NOTICE OF INTENTION TO ISSUE
CITY OF RIO HONDO, TEXAS
CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Commission of the City of Rio Hondo, Texas will convene at its regular meeting place in the City Hall in Rio Hondo, Texas, at 6:00 o'clock P.M., Rio Hondo, Texas time on August 25, 2026, and, during such meeting, the City Commission will consider the passage of an ordinance or ordinances and take such other actions as may be deemed necessary to authorize the issuance of one or more series of certificates of obligation in an aggregate principal amount not to exceed \$2,000,000 for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, demolishing, constructing, renovating, improving, reconstructing, restructuring and extending streets and thoroughfares and related land and right-of-way sidewalks, streetscapes, collectors, drainage, landscape, signage, acquiring lands and rights-of-way necessary thereto or incidental therewith; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving City public safety facilities and signage, including renovations to the police department; (3) designing, planning, building, improving, extending, enlarging, and repairing the City's utility system; (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. The certificates of obligation (the *Certificates*) will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and from a lien on and pledge of certain revenues derived by the City from the operation of the City's utility system. In accordance with Section 271.049, as amended, Texas Local Government Code: (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is \$709,000.00; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is \$837,947.80; (iii) the estimated combined principal and interest required to pay the Certificates to be authorized on time and in full is \$3,033,812.50; (iv) the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the Certificates to be authorized is August 1, 2041. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of 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.

/s/ Ben Medina
City Secretary,
City of Rio Hondo, Texas

Item #10



City of Rio Hondo
Municipal Development District

City of Rio Hondo Municipal Development District met on May 21, 2026 and June 19, 2026.

The May 21, 2026 meeting was attended by the three appointed members held a discussion of the Organization Bylaws, Budget, and possible projects.

The June 19, 2026 meeting was attended by Jerry Hartzog, Sue Ann Talbert, Diana Bustamante-Zavala, Jose Cavazos, Darell Johnson.
Discussions were held regarding Annexation, Data Centers, Subdivision Plats, and Water Interconnection.

The Board appointed:

Jerry Hartzog - President

Diana Bustamante- Zavala Vice President

Sue Ann Talbert, Secretary

Item #13



City of Rio Hondo

Audit Services RFQ Evaluation Criteria

Evaluation Criteria	Maximum Points
Governmental Audit Experience	30
Experience with Texas Municipalities	20
Qualifications of Assigned Personnel	15
Understanding of City Operations and Grant Compliance	15
References and Past Performance	10
Proposed Fees and Cost Effectiveness	10
Total Possible Points	100

Detailed Scoring Guidance

1. Governmental Audit Experience (30 Points)

- Extensive experience auditing local governments: 26–30
- Moderate governmental experience: 16–25
- Limited governmental experience: 0–15

2. Experience with Texas Municipalities (20 Points)

- Significant experience with Texas cities of similar size and complexity: 16–20
- Some Texas municipal experience: 8–15
- Little or no Texas municipal experience: 0–7

3. Qualifications of Assigned Personnel (15 Points)

- Highly qualified team with governmental audit expertise: 12–15
- Adequately qualified team: 6–11
- Limited qualifications or experience: 0–5

4. Understanding of City Operations and Grant Compliance (15 Points)

Consider the firm's familiarity with:

- Fund accounting
- Pooled cash systems
- State and federal grant compliance
- Single Audit requirements (if applicable)

Scoring:

- Excellent understanding: 12–15
- Adequate understanding: 6–11
- Limited understanding: 0–5

5. References and Past Performance (10 Points)

- Outstanding references from governmental clients: 8–10
- Satisfactory references: 4–7
- Weak or insufficient references: 0–3

6. Proposed Fees and Cost Effectiveness (10 Points)

- Competitive and clearly justified fees: 8–10
- Reasonable fees: 4–7
- High or unclear fees: 0–3

Evaluation Committee Certification

Evaluator Name Signature Date

Recommendation

The Evaluation Committee recommends awarding audit services to:

with a total score of _____ / 100 points.

REQUEST FOR QUALIFICATIONS (RFQ)

Independent Auditing Services

Issued by: City of Rio Hondo, Texas

RFQ Issue Date: April 17, 2026

Submission Deadline: May 20, 2026, at 3:00 pm

1. Introduction

The City of Rio Hondo, Texas, is seeking statements of qualification from qualified Certified Public Accounting firms to provide **independent auditing services** for the City's financial statements.

The firm selected will perform annual audits in accordance with applicable standards and provide related financial and compliance reporting.

2. Background

The City of Rio Hondo is a small municipality located in Cameron County, Texas, with a population of approximately 2021. The City operates under a Type "A" Commission - City Administrator form of government and provides basic municipal services, including Police, Fire, Library, Parks, and Water and Sewer. It has a \$1,400,000 dollar budget and has an average of \$2,000,000 dollars in grants.

3. Scope of Services

The selected firm will provide, at a minimum:

- Annual audit of financial statements in accordance with:
 - Generally Accepted Auditing Standards (GAAS)
 - Government Auditing Standards
 - Texas Municipal requirements
- Preparation of:
 - Annual Comprehensive Financial Report (ACFR) or financial statements

- Required supplementary information
 - Assistance with:
 - Federal and/or state compliance (if applicable)
 - Single Audit
 - Presentation of audit findings to:
 - City Commission is the governing body .
 - Management letter with recommendations for internal controls
-

4. Minimum Qualifications

Firms must:

- Be licensed to practice in the State of Texas
 - Have experience auditing **Texas municipalities or similar governmental entities**
 - Demonstrate knowledge of:
 - Governmental Accounting Standards Board (GASB)
 - Texas compliance requirements
 - Have no conflicts of interest with the City.
 - Provide references from at least **3 governmental clients**
 - Must complete the audit within 180 days from the date of September 30, 2026.
-

5. Submission Requirements

Firms must submit a Statement of Qualifications including:

A. Firm Information

- Firm name, address, and contact person
- Years in business
- Size and structure of firm

B. Relevant Experience

- Experience with small municipalities or similar entities
- Description of recent comparable audit engagements

C. Project Team

- Names and qualifications of key personnel
- Certifications (CPA, etc.)

D. Approach & Methodology

- Audit approach and timeline
- Communication process

E. References

- At least three (3) governmental clients
- Include contact name, title, and phone/email

F. Fee Structure

- Proposed fee for services (annual or multi-year)
 - Any additional costs or optional services
-

6. Evaluation Criteria

Submissions will be evaluated based on:

- Experience with governmental audits (especially Texas municipalities)
 - Qualifications of staff
 - Understanding of scope and approach
 - References
 - Cost considerations
-

7. Term of Engagement

The City anticipates entering into a contract for:

- One (1) year initial term
 - Option to renew annually for up to 5 additional years
-

8. Submission Instructions

Submit 10 (ten) copies or an electronic submission to:

Ben Medina, Jr. City Administrator

City of Rio Hondo

121 N. Arroyo Blvd. (Hand-Delivered)

Or
P.O. Box 389 (Mailed)
Rio Hondo, TX 78583
Electronic Mail: bmedina@riohondo.us
Deadline: May 20, 2026 at 3:00 pm
Late submissions will not be considered.

9. Additional Information

- The City reserves the right to reject any or all submissions
 - The City may request interviews with selected firms
 - This RFQ does not obligate the City to award a contract
-

10. Contact for Questions

All questions regarding this RFQ must be submitted in writing to:

Ben Medina, City Administrator
956-748-2102
Or email at bmedina@riohondo.us

(No later than: May 15, 2026)