

Rudy Villarreal
Mayor

Diana Martinez
Mayor Pro-Tem

Jesus "Jesse" Vela, Jr.
Commissioner

Victor Perez
Commissioner

Roel Landa, Jr.
Commissioner

Luciano Ozuna, Jr.
City Manager



JUL 11 2008

July 10, 2008

Diana Serna, Executive Director
Hidalgo County Urban County Program
1916 Tesoro Blvd.
Pharr, Texas 78577

Dear Mrs. Serna:

Included with this correspondence are documents indicating the engineer's estimated costs for wastewater and street improvements to the Lopez Subdivision and Veronica Ann Subdivision in the City of Alamo. As you can see, the funds available from the Urban County Program (UCP) allocation will not be sufficient to cover the total expenses of the cost of improvements. The Board of Commissioners of the City of Alamo are aware of the cost beyond the UCP allocation, therefore, allocations have been made from the General Fund Budget and the Water and Sewer Fund Budget to cover the additional funds required. The actual amounts will not be known until seal bids are opened.

In the past, the City has contracted directly with engineers to pay their fees from local funds instead of UCP funds. For this project, the City has gone through the process of rating the engineers and made a recommendation to UCP. The Commissioners Court has approved the selection and I also believe you are currently under contract negotiations with Quintanilla & Headley and Associates (QH). If you agree, the City will contract with QH directly to be paid with local funds. UCP funds will then be applied directly for construction only.

I hope the above information meets with your approval, however, please do not hesitate to call me if you have any questions or require additional information.

Respectfully,

Luciano Ozuna, Jr.
City Manager