

**MERCEDES CITY COMMISSION
REGULAR MEETING
NOVEMBER 19, 2024 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr.	Mayor
	Dr. Ruben Saldana	Mayor Pro-Tem
	Armando Garcia	Commissioner
	Joe Martinez	Commissioner
	Dr. Jacob Howell	Commissioner

STAFF PRESENT:	Alberto Perez	City Manager
	Martie Garcia-Vela	City Attorney
	Joselynn Castillo	City Secretary
	Patricio Avila	Asst. City Manager
	Adrian Perez	Planning Director
	Tomas Villagomez	Public Works Director
	Meredith Hernandez	Finance Director
	Michael Rocha	I.T Director
	Richard Morin	Recreation Director
	Armando Villela	Parks Director

OTHERS PRESENT: Ruth Valdez, Juan Vasquez

1. CALL MEETING TO ORDER

Mayor Montoya welcomed everyone and called the meeting to order at 6:30 p.m.

2. ESTABLISH QUORUM

All members of the commission were present which constitute a full quorum.

3. INVOCATION

Commissioner Howell said the invocation. Mayor Montoya added to keep the Castaneda Family in our prayers.

4. PLEDGE OF ALLEGIANCE

Commissioner Martinez led in the pledge of allegiance.

5. OPEN FORUM - No one signed up for open forum.

6. PRESENTATIONS:

a. **Proclamation for Abrianna Galindo**

Mayor Montoya expressed his pride in Ms. Abrianna Galindo for earning the prestigious honor of being named an All-American Cheerleader. He encouraged her to continue excelling and making the community proud. Mayor Montoya then read the proclamation recognizing her achievement. Ms. Galindo will represent the City of Mercedes by joining other athletes at the Pearl Harbor Memorial Parade in Honolulu, Hawaii.

At this time Mayor moved to item 11A which was postponed.

b. **Presentation by the Parks Director**

Mr. Armando Villela presented the City of Mercedes' park plans to the Commission, highlighting the city's seven parks and his efforts to remodel and upgrade them to increase community visits. He outlined plans to update play equipment for toddlers to teens, add BBQ areas, install fencing, and prioritize improved lighting. A preliminary master plan is being updated, and Mr. Villela is actively pursuing grant funding, including a \$28,000 grant through Keep Mercedes Beautiful for lighting enhancements.

Key recommendations and concerns from the Commission included:

- **Mayor Montoya** emphasized that lighting should be a priority.
- **Commissioner Martinez** suggested converting the kiddie pool into a splash pad, adding a caliche walking trail, addressing parking at Collier Park, and making parks inclusive for all ages.
- **Commissioner Howell** called for better lighting, maintenance, painting, asphalt for basketball courts, and the addition of a dog park.

Additionally, Mr. Villela informed the Commission about a forestry grant secured to plant trees at four schools, promoting outdoor education. Mayor Pro-Tem Saldana expressed gratitude for the parks department's efforts.

7. CONSENT AGENDA:

- a. **Approval of Minutes for Meeting(s) held November 7, 2024**
- b. **Approval of Second and Final Reading of Ordinance 2024-19 to Increase All Business License New/Renewal Fees in City of Mercedes**
- c. **Approval of the Second and Final Reading of Ordinance 2024-20 regarding Vacation Rental Platform permits**
- d. **Approval of the Second and Final Reading of Ordinance 2024-21 regarding Tire disposal inventory**
Commissioner Martinez motioned to approve all items and forego the reading. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

8. CITY MANAGER COMMENTS

- a. **RFP's for Dakota St.**
- b. **RFP's for City Hall Floors and Walls**

Mr. Perez stated the city will be going out for bids for the projects.

9. ACTION ITEMS: *Present, discuss, consider and possibly take action regarding:*

- a. **Public Hearing to create a Tax Increment Reinvestment Zone No. 2**

Mr. Perez stated we have been working on a potential development in a TIRZ zone. Mayor Montoya opened the public hearing at 7:17 p.m. Mr. Perez updated the Commission on a potential development within a designated Tax Increment Reinvestment Zone (TIRZ) in the City of Mercedes. The proposed project covers approximately 206 acres, currently within the city's Extra-Territorial Jurisdiction (ETJ), and will include a residential development of 650 single-family units in Phase 1 and 44 multi-family units in Phase 2. Mr. Bill Calderon explained that the project includes a financing plan outlining costs, revenue estimates, and the development timeline. TIRZ funding will be used for residential and public infrastructure improvements, including the reconstruction of Mile 2 W. Road. Current appraised base value of the property is \$3 million, with projected values increasing to \$580 million by the end of the TIRZ term. The city is expected to contribute 70% of its property tax increment, and the County's participation is under negotiation, with a recommendation for a 50% contribution from its Maintenance and Operations (M&O) tax rate. The total project costs, including reimbursable public infrastructure, are estimated at \$88.89 million. Incremental tax revenues will fund developer reimbursements over the TIRZ's projected 30 year life, ending in 2055. Developers Jacinto Garza and Joe Olivarez emphasized the importance of collaboration with local builders and improvements to Mile 2 W. Road for traffic needs. Commissioner Martinez highlighted the need for costs analysis on various material for infrastructure projects. Mayor Montoya proposed a meeting with county officials to finalize their participation. The next steps include further discussion with Hidalgo County regarding their contribution and the implementation of an ordinance to formally establish TIRZ No. 2. Mayor Montoya closed the public hearing at 7:46 p.m.

- i. **Approval of Ordinance 2024-22 creating Tax Increment Reinvestment Zone No. Two, City of Mercedes; making all the findings as required by Chapter 311, Texas Tax Code, and as set forth within the ordinance document attached herein**

Commissioner Martinez motioned to approve. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. Mr. Calderon thanked the Commission for their support.

- b. **Approval of variance requests by Mirasol Subdivision**

Commissioner Martinez initially motioned to approve the item, with Commissioner Garcia seconding. Mr. Perez clarified that the development is located within the City's ETJ (Extra-Territorial Jurisdiction). During the discussion, concerns were raised about the development not being within city limits and the implications of it potentially not being developed at all. It was clarified that the proposed variances would apply to the ETJ, allowing the City to impose requirements for streets and lighting.

Following this clarification, Commissioner Martinez rescinded his motion. Mayor Pro-Tem Saldana then moved to approve the variances, contingent on the development remaining in the ETJ. Commissioner Garcia seconded the revised motion. Upon a called vote, the motion passed unanimously.

- c. **Approval of grant reimbursement for historically designated property 300 S. Texas/344 W. 3rd St.**

Mayor Pro-Tem Saldana motioned to approve. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously.

- d. **Approval of Agreement for the Temporary Closure of State Right-of-Way for the South Texas International Marathon**

i. Approval of Resolution 2024-35 for the Temporary Closure of State Right-of-Way

Commissioner Martinez motioned to approve both items which include the agreement and the resolution. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

10. BIDS/CONTRACTS: *Present, discuss, consider and possibly take action regarding:*

a. Approval to select a firm for Fire Hydrant Installation Services

Mr. Villagomez stated the city went out for bids for fire hydrant installation services. The city received 2 bids from Hard Texas Materials and the 5125 Company. The total for Hard Texas will hold the price for 13 hydrants at \$58,825. The 5125 Company submitted a bid for the 13 hydrants at \$97,500.00. Commissioner Martinez motioned to approve Hard Texas. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

11. ORDINANCES/RESOLUTIONS: *Present, discuss, consider and possibly take action regarding:*

a. Postponed: Approval of Resolution 2024-34 authorizing the Resale of Foreclosed Real Estate Properties for failure to pay ad valorem taxes

Commissioner Martinez motioned to approve and forego the reading. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously. At this time, the commission moved back to item 6B.

12. MONTHLY DEPARTMENTAL REPORTS

a. Public Works, City Sec/HR, Planning, Rec Center, I.T., Library, Police, Fire

Mr. Villagomez presented his monthly report which was included for the commission to review. Mayor Montoya asked to look into bursting the lines.

Commissioner Martinez motioned to go into executive session. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting went into executive session at 8:20 p.m.

13. 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. Discussion with City Manager regarding personnel matters – Section 551.074

b. Consultation with Attorney regarding update on litigation - Section 551.071

c. Consultation with Attorney regarding contracts – Section 551.071

14. OPEN SESSION: Mayor called the meeting back to order at 9:14 p.m.

a. Possible Action pertaining to executive session item a

b. Possible Action pertaining to executive session item b

c. Possible Action pertaining to executive session item c

No action was taken on the items discussed in executive session.

15. Adjournment

Commissioner Martinez motioned to adjourn. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 9:14 p.m.