

MERCEDES CITY COMMISSION
REGULAR MEETING
MARCH 1, 2016 -6:00 P.M.
MERCEDES CITY HALL - COMMISSION CHAMBERS

MEMBERS PRESENT: Henry Hinojosa Mayor
Ruben Guajardo Mayor Pro-Tem
Jose M. Gomez Commissioner
Armando Lopez Commissioner
James Howard Wade, Jr. Commissioner
Juan Molina City Attorney
Ricardo Garcia City Manager

MEMBERS ABSENT: None

Staff: Amanda Morales, Hernan Gonzalez, Jaime Sandoval, Frank Rios, and Arturo Garcia.

1.) CALL MEETING TO ORDER.

Mayor Hinojosa called the meeting to order at 6:00 p.m.

2.) ESTABLISH QUORUM.

A quorum of the commission was present.

3.) INVOCATION.

Rolando Jacques led the invocation.

4.) PLEDGE OF ALLEGIANCE.

Commissioner Wade led the pledge of allegiance.

5.) OPEN FORUM

Joe Perez spoke about the bond issue on the agenda and asked whether the citizens could expect to see an increase in their taxes or utility bills as a result of the bonds.

Esmer Guerrero introduced Leonel Benavides and Julian Valdez, both are candidates for City Commissioner. She also spoke about the addresses for EDC board members.

Leonel Benavides spoke regarding where political signs are allowed to be placed.

6.) CONSENT AGENDA (ORDINANCE NO. 98-21):

A.) APPROVAL OF MINUTES FOR CITY COMMISSION MEETING (S) HELD FEBRUARY 16, 2016. B.) APPROVAL OF CHANGE ORDER #4 TO CONTRACT WITH SOUTHERN TRENCHLESS ON TWDB PROJECT- CWSRF PROJECT NO. 73642. (#2016/03/01). C.) SECOND AND FINAL READING OF ORDINANCE NO. 2016-03 AMENDING AND CORRECTING ORDINANCE NO. 2015-03. D.) SECOND AND FINAL READING OF ORDINANCE NO. 2016-04 AMENDING AND CORRECTING ORDINANCE NO. 2015-05. E.) APPROVAL OF REQUEST BY MERCEDES POP-WARNER FOR USE OF CIVIC CENTER FIELD ON APRIL 23 FOR REGISTRATION.

Mayor Pro-Tem Guajardo made a motion to approve all items under consent agenda as presented. The motion was seconded by Commissioner Wade and passed unanimously.

7.) DISCUSSION AND POSSIBLE ACTION OF A RESOLUTION BY THE CITY COMMISSION OF THE CITY OF MERCEDES, TEXAS, RELATING TO "THE DEVELOPMENT CORPORATION OF MERCEDES, INC. JUNIOR LIEN SALES TAX REVENUE BONDS, TAXABLE SERIES 2016"; APPROVING (I) THE RESOLUTION OF THE DEVELOPMENT CORPORATION OF MERCEDES, INC. AUTHORIZING THE ISSUANCE OF SUCH BONDS AND (II) THE EXECUTION, ON BEHALF OF THE CITY, OF THE FINANCING/USE AGREEMENT AND INTERLOCAL AGREEMENT BETWEEN THE CITY AND THE CORPORATION; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE OF SUCH BONDS; AND PROVIDING AN EFFECTIVE DATE – (RESOLUTION #2016-03)

City Manager Ricardo Garcia explained that the bonds would not affect the City's general fund or utility fund, and therefore will have no direct impact on property taxes or utility fees. The bond payments will be made using sales tax revenue. The issuance of two million dollars will be used to develop a commercial park to attract business and bring more jobs to the City. The City will be responsible for repayment of half of the total amount and the Development Corporation will be responsible for paying the other half over a ten year period. Mayor Pro-Tem Guajardo made a motion to approve a resolution by the city commission of the city of Mercedes, Texas, relating to "the Development Corporation of Mercedes, Inc. Junior lien sales tax revenue bonds, taxable-series 2016"; approving (i) the resolution of the Development Corporation of Mercedes, Inc. Authorizing the issuance of such bonds and (ii) the execution, on behalf of the City, of the financing/use agreement and interlocal agreement between the city and the corporation; resolving other matters incident and related to the issuance of such bonds; and providing an effective date – (resolution #2016-03). The motion was seconded by Commissioner Lopez and passed with the following vote: Mayor Hinojosa – Aye; Mayor Pro-Tem Guajardo – Aye; Commissioner Wade – Aye; Commissioner Lopez – Aye; Commissioner Gomez – Nay.

8.) DISCUSSION AND POSSIBLE ACTION OF AN INTERLOCAL COOPERATIVE AGREEMENT BETWEEN THE DEVELOPMENT CORPORATION OF MERCEDES, INC. AND THE CITY OF MERCEDES, TEXAS RELATING TO THE ANTICIPATED TRANSFER OF LAWFULLY AVAILABLE

REVENUES OF THE CITY TO THE CORPORATION TO MAKE 50% OF THE DEBT SERVICE REQUIREMENTS ON OBLIGATIONS DESIGNATED AS THE DEVELOPMENT CORPORATION OF MERCEDES, INC. JUNIOR LIEN SALES TAX REVENUE BONDS, TAXABLE SERIES 2016; AND OTHER MATTERS IN CONNECTION THEREWITH. (#2016/03/01)

Mayor Pro-Tem Guajardo made a motion to approve an interlocal cooperative agreement between the Development Corporation of Mercedes, Inc. and the City of Mercedes, Texas relating to the anticipated transfer of lawfully available revenues of the City to the Corporation to make 50% of the debt service requirements on obligations designated as The Development Corporation of Mercedes, Inc. Junior Lien sales tax revenue bonds, taxable series 2016; and other matters in connection therewith (#2016/03/01). The motion was seconded by Commissioner Lopez and passed by the following vote: Mayor Hinojosa – Aye; Mayor Pro-Tem Guajardo –Aye; Commissioner Lopez – Aye; Commissioner Wade –Aye; Commissioner Gomez Nay.

9.) DISCUSSION AND POSSIBLE ACTION ON CONSIDERATION AND APPROVAL OF A FINANCING/USE AGREEMENT BY AND BETWEEN THE CITY OF MERCEDES, TEXAS AND THE DEVELOPMENT CORPORATION OF MERCEDES, INC. (#2015/03/01B)

Commissioner Wade made a motion to approve a financing/use agreement by and between the City of Mercedes, Texas and the Development Corporation of Mercedes, Inc. (#2016/03/01B). The motion was seconded by Mayor Pro-Tem Guajardo and passed by the following vote: Mayor Hinojosa – Aye; Mayor Pro-Tem Guajardo- Aye; Commissioner Wade- Aye; Commissioner Lopez –Aye; Commissioner Gomez- Nay.

10.) DISCUSSION AND POSSIBLE ACTION OF REQUEST BY HOUSING AUTHORITY TO PAVE AREA BEHIND HIGH RISE BUILDING.

Mr. Garcia explained that the alley behind the Housing Authority high rise building was in need of repair and the City would be responsible for paying 50% of the cost to do the needed maintenance. The money would be taken from the General Fund. Mayor Pro-Tem Guajardo made a motion to approve the request by Housing Authority to pave area behind high rise building. The motion was seconded by Commissioner Lopez and passed unanimously.

Mayor Hinojosa called the meeting into Executive Session at 6:21 pm.

11.) EXECUTIVE SESSION:

-DISCUSSION REGARDING DUTIES AND RESPONSIBILITIES OF THE CITY MANAGER. -TEXAS GOVERNMENT CODE, SECTION 551.074 -PERSONNEL.

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-DISCUSSION REGARDING PROJECT DEPOT - SECTION 551.087, TEXAS GOVERNMENT CODES ANNOTATED. - ECONOMIC -DEVELOPMENT.

-DISCUSSION REGARDING PROJECT SECURITY- SECTION 551.087, TEXAS GOVERNMENT CODES ANNOTATED. - ECONOMIC DEVELOPMENT.

-DISCUSSION REGARDING POSSIBLE ACQUISITION OF APPROXIMATELY 20 ACRE TRACT OF LOTS 10 AND 15, CAPISALLO DISTRICT SUBDIVISION. - SECTION 551.072, TEXAS GOVERNMENT CODES ANNOTATED. -REAL ESTATE

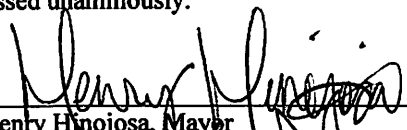
There was no action taken during Executive Session. Mayor Hinojosa called the meeting back to order at 7:08 p.m.

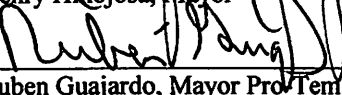
12.) DISCUSSION AND POSSIBLE ACTION REGARDING ITEM(S) DISCUSSED IN EXECUTIVE SESSION.


Mayor Hinojosa made a motion to proceed a discussed in Executive Session on project Depot and Project Security. The motion was seconded by Guajardo and passed unanimously.

13.) ADJOURN.

There being no further business to discuss, Mayor Hinojosa made a motion to adjourn the meeting. The motion was seconded by Mayor Pro-Tem Guajardo and passed unanimously.


Henry Hinojosa, Mayor

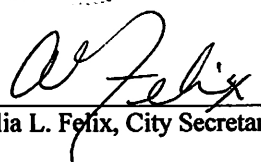

Ruben Guajardo, Mayor Pro Tem


James Howard Wade, Jr., Commissioner


Jose M. Gomez, Commissioner


Armando Lopez, Commissioner

ATTEST:


Arcelia L. Felix, City Secretary