

**MERCEDES CITY COMMISSION  
REGULAR MEETING  
JANUARY 5, 2021 – 6:00 P.M.  
MERCEDES CITY HALL – COMMISSION CHAMBERS**

<b>MEMBERS PRESENT:</b>	Oscar Montoya Joe Martinez Leonel Benavidez Jacob Howell Jose M. Gomez	Mayor Newly Elected Mayor Pro-Tem Commissioner Commissioner Commissioner
<b>STAFF PRESENT:</b>	Kevin Pagan Joselynn Castillo Anthony Troiani Nereida Perez Hugo Perales Jose Figueroa Jose Macias	Interim City Manager City Secretary City Attorney Finance Director (webex) I.T Director PW Director Police Chief
<b>OTHERS PRESENT:</b>	Hollis Rutledge Frankie San Martin Hilario Pena Melissa Ramirez	HR&A Rep HR&A Rep LEMC Rep DCM Director

**1) CALL MEETING TO ORDER**

Mayor Montoya called the meeting to order at 6:00 PM

**2) ESTABLISH QUORUM**

All members of the Commission were present which constitutes a full quorum.

**3) INVOCATION**

Commissioner Martinez said the invocation.

**4) PLEDGE OF ALLEGIANCE**

Commissioner Gomez led in the Pledge of Allegiance.

**5) OPEN FORUM-**

- Miguel Loya addressed the Commission about concerns with City Setbacks. Mr. Loya provided a statement to the Commission and will be attached to the minutes as "Attachment A".

**6) CONSENT AGENDA (ORDINANCE. 98-21):**

**A.) APPROVAL OF MINUTES FOR CITY COMMISSION MEETING HELD DECEMBER 15, 16 & 22, 2020.**

**B.) SECOND AND FINAL READING OF ORDINANCE NO. 2020-22 TO REDUCE THE REAR YARD BUILDING SETBACK FROM TWENTY FEET (20') TO TEN FEET (10') FOR PRIMARY STRUCTURES IN CERTAIN RESIDENTIAL ZONING DISTRICTS**

**C.) SECOND AND FINAL READING OF ORDINANCE NO. 2020-23 TO APPOINT 5 MEMBERS TO THE BOARD OF DIRECTORS TO MERCEDES' TAX INCREMENT REINVESTMENT ZONE ("TIRZ") NUMBER ONE.**

Commissioner Benavidez stated a correction to the minutes of December 22, 2020 on item 7. The vote was 3 to 2 rather than unanimous. Commissioner Benavidez made a motion to approve all items under consent agenda with corrections previously stated. Commissioner Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

**7) CITY MANAGER COMMENTS**

Interim City Manager Pagan stated he is working on a development plan on communicating with the Commission and provided his email. He stated he is also looking at the fee structure on the utility billing for water bills. Mr. Pagan informed the Commission of the sewer line issues at Cindy Lane and Nevada and asked Staff to seek

quotes and stated there may be a special meeting for this issue. He commented about the vaccine clinic held at the Stock show grounds.

**8) DISCUSSION AND POSSIBLE ACTION TO APPOINT A MAYOR PRO-TEM**

Commissioner Benavidez made a motion to appoint Commissioner Gomez as Mayor Pro-Tem. He stated Commissioner Gomez has 7+ years of experience, is knowledgeable, informs the Public, and has good intentions. The motion died due to a lack of a second.

Commissioner Howell made a motion to appoint Commissioner Martinez as Mayor Pro-Tem. Commissioner Martinez seconded the motion. There was discussion with legal regarding the motions and if one can vote for themselves and the position of Mayor Pro-Tem. Legal stated that it is not illegal to vote for oneself.

Commissioner Gomez stated he should be given the opportunity due to him not knowing he could vote for himself. Commissioner Martinez stated that he has served on a board for the City and knows how to conduct a meeting and believes discussions can be civil.

Upon a called vote, the motion passed 3-2. Commissioner Benavidez and Commissioner Gomez voted against.

**9) DISCUSSION AND POSSIBLE ACTION TO RENEW HOLLIS RUTLEDGE & ASSOICIATS, INC'S CONSULTING CONTRACT FOR THE TERM OF ONE YEAR TO BEGIN JANUARY 2021 TO JANUARY 2022, SUBJECT TO REVIEW AND FINAL APPROVAL FROM LEGAL**

Interim City Manager addressed the Commission that HR&A helps with grants and recommends approval.

Commissioner Benavidez asked for the new grants. Mr. Rutledge introduced Mr. Frank San Martin and informed the Commission of his knowledge with the grants and the City of Mercedes. There was discussion regarding the finding cycles and having someone in-house do the grants. It was stated that Cities the size of Mercedes out source the service due to the cost for hiring someone which could cost more. Mr. San Martin stated the amounts he has helped the city get. This year he brought in \$75k \$71k in border Zone Fire Dept., Rifle Resist Body Armor, Border Star and Stone Garden and the Safer Grant. The return of investments is 16 to 1, which for every \$1 the city pays, HRA brings in \$16. Mr. San Martin stated his goal is to have a hire return of investment. Commissioner Martinez asked about the USDA Rural Application. Mr. San Martin stated the project in question was on pause because the Commission wanted the new Commission to review and see if they would like to proceed.

Commissioner Gomez asked how much did the City pay on expenses in which Mr. Rutledge stated there were no expenses and would need City Manager approval for the expenses.

Commissioner Benavidez made a motion to approve the contract with a retainer of \$2,000 monthly rather than \$3,000. Commissioner Gomez seconded the motion. Upon a called vote, the motion passed unanimously. The City Attorney stated he would contact HR&A to see if they agree to the terms.

**10) DISCUSSION AND POSSIBLE ACTION ON GM ENGINEERING & SURVEYING REQUESTS FOR A 3<sup>RD</sup> PLAT APPROVAL EXTENSION FOR HACIENDA OLIVIA SUBDIVISION.**

Plat approval for Hacienda Olivia will expire June 18, 2021. Commissioner Benavidez stated that he recalled something was pending, he is aware of pipe testing and stated he would like someone from the City to be present while the testing is being done. Jose Munoz stated that the City would not approve anything that does not comply with the Standards Development Plan. Commissioner Howell stated that the Developer will pay for the roads and not the taxpayers. There is \$10.5 to \$12.5 Mil in revenues with this development.

Commissioner Howell made a motion to approve item 10. Mayor Pro-Tem Martinez seconded the motion. Upon a called vote, the motion passed. Commissioner Gomez voted against. There was discussion on the prior 2 extensions, the lots and cost, and the requirements. The Commission stated they would like a report in 3 months.

**11) DISCUSSION AND POSSIBLE ACTION TO GO OUT FOR BIDS TO PROCURE ENHANCED EMAIL PLATFORM AND INTERNET SECURITY RESOURCES FOR THE CITY OF MERCEDES.**

Mr. Perales addressed the Commission about replacing the current email system with a better email. The current email system does not provide an automated backup system. Staff obtained quotes to compare what is currently in place from the following:

iMailServer with one window server \$5,278.91 one-time fee, email software \$3,306.30 per year, dedicated Internet Connection \$1,319.88 per year, and storage server for weekly backups \$3,299.99 for every 2 years. The projected yearly cost including the storage will be \$6,276.47 per year.

Rackspace Email Service is a cloud web based system with automatic backups and unlimited storage and fast data restoration. It a month to month basis plan \$569.05 per month for 95 users. \$6,828.60 per year.

Commissioner Benavidez made a motion to approve Rackspace Email Services with approval by legal and CM. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously.

**12) DISCUSSION AND POSSIBLE ACTION TO RENEW EXISTING LICENSING AGREEMENT WITH CARDINAL TRACKING INC.**

Police Chief Macias addressed the Commission of the software for reporting crimes. The contract expires on January 31, 2021.

Commissioner Benavidez made a motion to approve the renewal in the amount of \$12,080.70. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously. Mayor Montoya asked to have workshops with each department to update the commission.

**13) DISCUSSION AND POSSIBLE ACTION TO RESCIND TERMINATION OF WESLACO-MERCEDES JAIL DETAINEE AGREEMENT; AND APPROVE AN EXTENSION TO END ON FEBRUARY 4, 2021**

Police Chief Macias informed the Commission that the City terminated the Contract with the City of Weslaco. There is an extension that was approved until February 4, 2021. Mr. Macias recommends rescinding the previous motion and to continue with the City of Weslaco for the Jail Detainees. City Attorney Troiani recommended that the issues be discussed in executive session at the next meeting.

Commissioner Benavidez made a motion to approve item 13 contingent to being fully informed of the issues. Mayor Pro-Tem Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

**14) DISCUSSION AND POSSIBLE ACTION TO ALLOW STAFF TO INITIATE THE REZONING OF CAPISALLO TERRACE SUBDIVISION TO CLASS "A-1" SINGLE FAMILY RESIDENCE FROM ITS CURRENT CLASS "N DISTRICT" DESIGNATION.**

Mr. Figueroa addressed the Commission that it is customary to have properties annexed with an interim zone being Class "N" Newly annexed. Afterwards, it should receive a permanent zone. The City is requesting approval to initiate the process to rezone the Capisallo Terrace subdivision to Class "A-1" Single family Residential zone. There was discussion regarding utility services and the property values.

Commissioner Benavidez made a motion to approve item 14. Mayor Pro-Tem Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

**15) DISCUSSION AND POSSIBLE ACTION ON ORDINANCE TO AMEND ZONING ORDINANCE NO. 26, AS AMENDED, TO REDUCE THE FRONT YARD BUILDING SETBACK FROM THIRTY FEET (30') TO TWENTY-FIVE (25') IN CERTAIN RESIDENTIAL ZONING DISTRICTS**

Mr. Figueroa addressed the Commission regarding amending the zoning ordinance to reduce the front yard building setback from 30 ft to 25 ft. The change would only apply to Class "A-1" and "A-2" single family residential district and Class "B" and "B-1" Two Family Residential District. Mayor Montoya asked that the lots stated by Mr. Loya be taken into consideration due to these being older lots. Mr. Figueroa stated that when there are special circumstances, citizens could apply for variances. Mr. Figueroa suggested that the Commission to ask legal for the wording on the motion to take those lots into consideration.

Commissioner Benavidez made a motion to approve item 15 as discussed. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously.

**16) DISCUSSION AND POSSIBLE ACTION TO USE PORTION OF SERIES 2018 CERTIFICATE OF OBLIGATION TO REPAIR MILE 1 ½ ROAD/RAILROAD CROSSING JUNCTURE**

Mr. Figueroa informed the Commission of needed repairs to the railroad crossing on Mile 1 1/2. There has been significant erosion of the asphalt and needs repaving. Public Works secured price quotes from Rio Valley Switching Company that is binding. There were two quotes one for \$32,685.06 that will fluctuate upwards most likely. The second quote from the same company is \$34,319.31 at a Fixed rate and will not fluctuate. The quote is a sole source quote and Rio Valley Switching will be the only one doing the work. Finance Director Perez stated that the CO balance has \$358K.

Commissioner Benavidez made a motion to approve item 16. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously.

**17) TABLED: DISCUSSION AND POSSIBLE ACTION ON APPOINTMENT AND/OR REAPPOINTMENT OF THREE (3) BOARD OF DIRECTOR MEMBERSHIPS ON THE DEVELOPMENT CORPORATION OF MERCEDES (DCM)**

Mayor Pro-Tem Martinez made a motion to un-table item 17. Commissioner Benavidez seconded the motion. Upon a called vote, the motion passed unanimously.

Commissioner Benavidez made a motion to appoint Israel Coronado to replace Jaime Gonzalez. Commissioner Gomez seconded the motion. Upon a called vote, the motion did not pass. Mayor Montoya, Mayor Pro-Tem Martinez, and Commissioner Howell voted against.

Mayor Pro-Tem Martinez made a motion to reappoint Tony Garza, Roel Villanueva and to appoint Luis Huerta to replace Jaime Gonzalez. Commissioner Benavidez seconded the motion. Upon a called vote, the motion passed unanimously.

Commissioner Benavidez made a motion to go into Executive Session. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously. The meeting went into executive session at 7:57 pm.

**18) EXECUTIVE SESSION:**

- a. **DELIBERATION PURSUANT TO TEXAS GOVERNMENT CODE 551.074 RELATED TO PERSONNEL MATTERS, SPECIFICALLY THE SELECTION PROCESS FOR CHOOSING A PERMANENT CITY MANAGER AND POSSIBLE, CONSULTATION WITH LEGAL FOR THE PURPOSE OF RECEIVING PRIVILEGED ATTORNEY CLIENT COMMUNICATIONS PURSUANT TO TEXAS GOVERNMENT CODE 551.071**
- b. **DELIBERATION PURSUANT TO TEXAS GOVERNMENT CODE 551.072 TO DISCUSS THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL ESTATE.**

Mayor Montoya called the meeting back to order at 8:30 pm.

**19) DISCUSSION AND POSSIBLE ACTION ON EXECUTIVE SESSION ITEMS 18. A AND 18.B.**

- a. Commissioner Benavidez made a motion to make the City Manager application open until filled, place the item on the next agenda, and to get updates on background checks. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously.
- b. Interim City Manager Pagan stated he would bring this item back on the agenda at the next regular meeting.

**20) ADJOURN**

Commissioner Benavidez made a motion to adjourn. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:32 pm.