



Mayor Oscar D. Montoya
Commissioner Joe Martinez
Commissioner Armando Garcia

Commissioner Dr. Jacob Howell
Mayor Pro-Tem Dr. Ruben Saldana
City Manager Alberto Perez

MERCEDES CITY COMMISSION
SPECIAL MEETING
AUGUST 26, 2024 – 6:30 P.M.
MERCEDDES CITY HALL – COMMISSION CHAMBERS
400 S. OHIO AVE., MERCEDDES, TX 78570

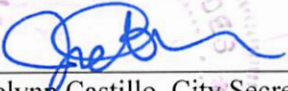
“At any time during the course of this meeting, the City Commission may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the City Commission under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at any time during the course of this meeting, the City Commission may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code.”

1. **Call Meeting to Order**
2. **Establish Quorum**
3. **Invocation**
4. **Pledge of Allegiance**
5. **Bids/Contracts:**
 - a. Approval of Subscription Extension for Atera
 - b. Approval of Subscription Extension for Lucidpoint
 - c. Approval of recommended website platform contract
6. **Ordinances/Resolutions:**
 - a. PUBLIC HEARING regarding the proposed Tax Rate for Tax Year 2024
 - i. Approval of First Reading and Second Reading as per section 2.13 of the City Charter to adopt Ordinance 2024-09 levying ad valorem taxes for the Tax Year 2024 for Maintenance and Operations of the Municipal Government of the City of Mercedes, Texas for the Fiscal Year 2025 (Record Vote Required)
 - ii. Approval of first reading and second reading as per section 2.13 of the City Charter to adopt Ordinance 2024-09 providing for the Interest and Sinking fund for the Fiscal Year 2025, of the Municipal Government of the City of Mercedes, Texas General Obligation Bonds (Record Vote Required)
7. **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
8. **Open Session:**
 - 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
9. **Adjournment**

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a *Special Meeting* on Monday, August 26, 2024 at 6:30 P.M. Said meeting will be conducted in the Commission Chambers of the City Hall located at 400 S. Ohio, Mercedes, Texas for the purpose of considering and taking formal action regarding the items listed above. This notice is given in accordance with Vernon’s Texas Codes Annotated, Texas Government Code, Section 551.001 et. Seq.

WITNESS MY HAND AND SEAL OF THE CITY THIS THE 21ST DAY OF AUGUST, 2024.

ATTEST:



Joselynn Castillo, City Secretary
Time of Posting: 5:05 P.M.

ACCESSIBILITY STATEMENT

The City of Mercedes recognizes its obligations under the Americans with Disabilities Act of 1990 to provide equal access to individuals with disabilities. Please contact the City Manager’s Office at (956) 565-3114 at least 48 hours in advance of the meeting with requests for reasonable accommodations, including requests for a sign language interpreter.

Bids/Contracts

DATE: August 26, 2024
FROM: Michael Rocha, I.T Specialist
ITEM: **Approval of Subscription Extension for Atera**

BACKGROUND INFORMATION:

Atera, our remote management platform, has been instrumental in aiding the IT department manage and maintain the network infrastructure throughout the city. With that in mind, we will look to extend this service to a 3-year subscription. This extension comes with a significant cost benefit, as the pricing will be reduced by 15%.

- Current Pricing: \$9,840 per year
- New Pricing: \$8,364 per year (after 15% discount)
- Subscription Term: 3 years

This extension ensures continued support and enhanced management capabilities at a reduced cost, allowing us to better allocate resources over the long term.

BOARD REVIEW/CITIZEN FEEDBACK: ...

ALTERNATIVES/OPTIONS:

FISCAL IMPACT: \$8,364

Proposed Expenditure/(Revenue):	Account Number(s):	FY
\$8,364	01-519-2534	24-25
\$8,364	01-519-2534	25-26
\$8,364	01-519-2534	26-27

Finance Review by: Yes

LEGAL REVIEW: N/A

ATTACHMENTS: N/A

Staff Recommendation: Approval of Extension

Bids/Contracts

DATE: August 26, 2024

FROM: Michael Rocha, I.T Specialist

ITEM: **Approval of Subscription Extension for Lucidpoint**

BACKGROUND INFORMATION:

Lucidpoint has been an excellent partner in providing our current Google Workspace Platform. We are currently on a 1-year subscription for managing Google Workspace. We also look to extend this partnership to a 3-year subscription. The extension will lock in the current annual pricing, providing stability and predictability in our budgeting.

- Current Pricing: \$25,920 per year
- New Pricing: \$25,920 per year (locked-in)
- Subscription Term: 3 years

This extension secures our investment in Google Workspace at the current rate, ensuring no increase in costs over the next three years.

BOARD REVIEW/CITIZEN FEEDBACK: ...

ALTERNATIVES/OPTIONS:

FISCAL IMPACT: \$25,920

Proposed Expenditure/(Revenue):	Account Number(s):	FY
\$25,920	01-519-2534	24-25
\$25,920	01-519-2534	25-26
\$25,920	01-519-2534	26-27

Finance Review by: Yes

LEGAL REVIEW: N/A

ATTACHMENTS: N/A

Staff Recommendation: Approval of Extension

Bids/Contracts

DATE: August 26, 2024
FROM: Michael Rocha, I.T Specialist
ITEM: **Approval of recommended website platform contract**

BACKGROUND INFORMATION:

We recommend moving forward with a new website platform contract that offers a 6-year license term. This approach will spread the costs evenly over the duration of the contract, not including any one-time fees, ensuring financial efficiency.

- Contract Term: 6 years
- Cost Distribution: Divided evenly over 6 years (excluding one-time fees)

This long-term contract strategy will provide consistency in pricing and help us manage our budget more effectively over the next several years.

BOARD REVIEW/CITIZEN FEEDBACK: ...

ALTERNATIVES/OPTIONS:

FISCAL IMPACT: \$20,030 one-time fee and \$7,630 annually

Proposed Expenditure/(Revenue):	Account Number(s):	FY
\$20,030	01-519-2534	24-25
\$7,630	01-519-2534	25-26
\$7,630	01-519-2534	26-27
\$7,630	01-519-2534	27-28
\$7,630	01-519-2534	28-29
\$7,630	01-519-2534	29-30

Finance Review by: Yes

LEGAL REVIEW: Yes

ATTACHMENTS: Contract agreement with pricing

Staff Recommendation: Approval of recommended website platform contract

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.8793 per \$100 valuation has been proposed by the governing body of City of Mercedes.

PROPOSED TAX RATE	\$0.8793 per \$100
NO-NEW-REVENUE TAX RATE	\$0.7634 per \$100
VOTER-APPROVAL TAX RATE	\$0.8793 per \$100

The no-new-revenue tax rate is the tax rate for the 2024 tax year that will raise the same amount of property tax revenue for City of Mercedes from the same properties in both the 2023 tax year and the 2024 tax year.

The voter-approval rate is the highest tax rate that City of Mercedes may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Mercedes is proposing to increase property taxes for the 2024 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON AUGUST 26, 2024 AT 06:30 PM AT COMMISSION CHAMBERS OF THE CITY HALL LOCATED AT 400 S OHIO MERCEDES TEXAS 78570.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Mercedes is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Commission of City of Mercedes at their offices or by attending the public hearing mentioned above.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

FOR the proposal:	Commissioner Jacob Howell Commissioner Ruben Saldana	Commissioner Armando Garcia Commissioner Jose Martinez
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AGAINST the proposal: N/A

PRESENT and not voting: N/A

ABSENT: Mayor Oscar Montoya

Visit Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Mercedes last year to the taxes proposed to be imposed on the average residence homestead by City of Mercedes this year.

	2023	2024	Change	4
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Total tax rate (per \$100 of value)	\$0.7750	\$0.8793	increase of 0.1043 per \$100, or 13.46%
Average homestead taxable value	\$108,843	\$119,609	increase of 9.89%
Tax on average homestead	\$843.53	\$1,051.72	increase of 208.19, or 24.68%
Total tax levy on all properties	\$6,470,061	\$7,661,972	increase of 1,191,911, or 18.42%

For assistance with tax calculations, please contact the tax assessor for City of Mercedes at 956-318-2157 or propertytax@hidalgocountytax.org, or visit www.hidalgocountytax.org for more information.

ORDINANCE NO. 2024-09

AN ORDINANCE LEVYING AN AD VALOREM TAX OF \$0.8793 ON EACH \$100.00 VALUATION OF ALL TAXABLE PROPERTY WITHIN THE CITY OF MERCEDES, TEXAS; REAL, PERSONAL AND MIXED FOR THE YEAR 2024, FOR THE PURPOSE OF PAYING INTEREST ON AND PROVIDING A SINKING FUND FOR THE REDEMPTION OF ITS OUTSTANDING BONDS AND OTHER OBLIGATIONS AND FOR CURRENT EXPENSES AS NECESSARY AND IN THE BEST INTEREST OF THE TAXPAYERS OF SAID CITY. THE TAX RATE WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS; PROVIDING FOR PENALTIES AND INTERST ON DELINQUENT TAXES; AND A DATE SAME SHALL BECOME DELINQUENT; PROVIDING A PERCENTAGE OF DISTRIBUTION OF THE SPECIFIED RATE; PROVIDING FOR A SAVINGS AND REPEAL CLUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MERCEDES, TEXAS THAT:

SECTION 1: An ad valorem tax of \$0.8793 on each \$100.00 valuation based on 100% of actual values, of all taxable property within the City limits of Mercedes, Texas; real, personal and mixed, as said values are fixed and certified by the Chief Appraiser of Hidalgo County be, and the same is hereby levied for and on behalf of said City for the year 2024 for the purpose of paying interest on and providing a Sinking Fund, and for the current expenses as necessary and in the best interest of the taxpayers of the said City.

SECTION 2: If any person fails to pay their taxes on or before the 31st day of January, 2025, penalties and interest will accrue as defined in the Property Tax Code.

SECTION 3: The specified rate of \$0.8793 above levied shall be distributed as follows:
To the special interest and sinking fund for the servicing and redemption of outstanding general obligation bonds and all other obligation of said City of Mercedes, Texas. \$0.2942
To the General Fund of the City of Mercedes, Texas \$0.5851

SECTION 4: If any section, subsection, phrase, sentence, clause or provision of this Ordinance shall be declared invalid for any reason, such invalidity shall not affect the remaining provisions of this Ordinance or their applications to other personal or sets of circumstances, and to this end all provisions of this Ordinance are declared to be severable; and Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 5: This Ordinance shall become and be effective in accordance with the City Charter of the City of Mercedes, Texas and the laws of the State of Texas.

PASSED, APPROVED, AND ADOPTED ON FIRST READING THIS THE 26TH DAY OF AUGUST, 2024.

PASSED, APPROVED, AND ADOPTED ON SECOND READING THIS THE 26TH DAY OF AUGUST, 2024.

Oscar D. Montoya, Sr., Mayor

ATTEST:

APPROVED:

Joselynn Castillo, City Secretary

Martie Garcia-Vela, City Attorney