

**MERCEDES CITY COMMISSION
BUDGET WORKSHOP
JULY 13, 2024 – 9:00 A.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr. Dr. Ruben J. Saldana Joe Martinez Armando Garcia	Mayor Mayor Pro-Tem Commissioner Commissioner
MEMBERS ABSENT:	Dr. Jacob C. Howell	Commissioner
STAFF PRESENT:	Alberto Perez Martie Garcia-Vela Joselynn Castillo Javier Ramirez Meredith Hernandez Michael Rocha Juan Vasquez Kristine Longoria Francisco Sanchez Javier Campos Marisol Vidales Tom Villagomez	City Manager City Attorney (Virtual) City Secretary Asst. City Manager Interim Finance Director I.T Specialist I.T Specialist Human Resources Police Chief Fire Chief/EMC Library Director Public Works Director

1. CALL MEETING TO ORDER

Mayor Montoya welcomed everyone and called the meeting to order at 9:00 A.M.

2. ESTABLISH QUORUM

Four members of the Commission were present which constitutes a quorum.
Commissioner Howell was absent.

3. INVOCATION

Commissioner Martinez said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Garcia led in the pledge of allegiance.

5. OPEN FORUM

There were no comments during open forum.

6. DISCUSSION REGARDING THE BUDGET FOR FISCAL YEAR 2024-2025.

Mayor Montoya explained the budget process and the importance of having the budget to meet the needs of the city throughout the year.

Fire Chief Campos presented to the Commission the budget for Fire/EMS. Chief Campos informed that EMS expenditures increased from \$500,000 to \$682,763.00. This increase is primarily due to the need to replace the chassis of one of the ambulances. The replacement process for the chassis is expected to take about three months. Meanwhile, the city has three other ambulances on shift. The Fire Department has 18 full-time firefighters, 9 of whom are paramedics, 2 advanced EMT's and 7 basic EMT's. Personnel

costs for full-time employees increased from \$101,000 to \$120,000 to account for fire certification pay. Chief Campos highlighted the need for additional staff due to the high volume of calls. He requested three additional personnel to ensure one per shift and a part-time employee to assist the Fire Marshal. In response to a question about revenues, Chief Campos explained that the Fire Department has a mutual aid agreement with the County to service the rural areas of Mercedes. The City invoices the county for any calls attended outside city limits. Chief Campos proposed establishing a training facility. The facility would provide opportunities to acquire equipment from South Texas College and potentially host a fire academy. Chief Campos outlines his capital outlay requests, including the purchase of a new brush truck for \$183,413 from the CO funds for 2025 and new radios. The Fire Department's budget increased from \$1.5 million to \$1.9 million to cover personnel and volunteer expenses. There was discussion about establishing a substation for the Fire Department. Chief Campos suggested that the substation could be beneficial on Mile 2 West and North of Mile 9, given the high volume of calls from that area.

Police Chief Sanchez requested an increase in the overtime budget. He explained the schedule change to 12-hour shifts with a 4-day work week, which impacts overtime needs. The increase also covers costs for active response training. There was a discussion about establishing a shooting range, highlighting that the city's central location in the valley makes it an ideal spot. The budget also reflects an increase in ammunition costs for training purposes. Mr. Perez discussed a two-step approach for adjusting police department salaries to remain competitive with neighboring cities. There was discussion about parking issues for staff and the police department, including the need for security cameras and improved lighting in the parking lot. Animal control currently has two employees, with no changes proposed to their budget. Mayor Montoya expressed interest in organizing an event for spaying/neutering, vaccinations, and tagging. Mr. Perez emphasized the need for the animal shelter and the 24/7 operation to adequately care for the animals.

I.T Specialist Michael Rocha addressed the Commission about the I.T Budget for all departments. Mr. Perez commended the I.T staff for their efforts in cyber security training. Mr. Rocha highlighted the implementation of the KnowBe4 training program, which costs \$7,000 per year for three years. He added that H2O is the licensing software used for Utility Billing. Mayor Pro-Tem Saldana expressed the desire for the city's website to be updated. He suggested that each department should manage their respective pages to ensure current and accurate information. Mayor Montoya inquired if every Police Department unit has in-car laptops and connectivity. Mr. Rocha confirmed that all units are equipped with these technologies. Mr. Rocha included in the budget the installation of camera for City Hall, the library, and public works. VTX1 offered to place an access point in the back parking lot along with a camera for enhanced security and connectivity.

Mayor Montoya called a 5-minute recess at 11:00 a.m. Mayor Montoya called the meeting back to order at 11:12 a.m.

Planning Director Ramirez informed the Commission about the budget changes and increases. Material testing has a increased costs, which is reimbursable to the city. Contractual Services had an increase of \$5,000 for GIS software maintenance. Mr. Ramirez proposed to add an inspector/code enforcement/ GIS mapping employee for fieldwork. Subscriptions and Travel and Training increased due to necessary licenses for the Planning Director, Building Official and Inspector. Mr. Ramirez stated the city has one antenna for GIS surveying with centimeters accuracy. Capital Outlay also increased to purchase a vehicle for the new inspector/code enforcement/GIS mapping employee. Mayor Montoya suggested starting a program to educate the public about new regulations, such as brush placement dates and pick-up schedules. Commissioner Martinez recommended having staff register people at community events. Mayor Montoya also recommended using utility bills to sign up every household for CodeRed, allowing them to opt out if desired. Mr. Ramirez stated that 8 businesses will be brought before the Building and Standards Commission to either work with them or condemn the properties. Mr. Ramirez stated the Urban County budget will be allocated to street improvement for 10th street. He added that the waterline on 10th street has been relocated, and paving is expected to start next week and the school and residents will need to be notified. Mr. Ramirez informed the commission about the software the planning department uses to help improve their process for permits. Mr. Ramirez discussed the grants and projects which included water well grant, FEMA Dome Project, Mercedes Lateral, a crossing at Maryland and 14th Street upgrade, and the EPA Grant.

Mayor Montoya called for a 30-minute recess at 12:12 p.m. for lunch. Mayor called the meeting back to order at 12:32 p.m.

Library Director Marisol Vidales addressed the Commission about requesting one additional staff member to support the department. Ms. Vidales added funds to travel and training for the Historical Committee and to send more staff members to various trainings. She increased the budget to include a book repair machine and diaper changing tables for the restrooms. The budget increased to purchase software and licenses for reading challenges, which can be used for summer reading or throughout the year. Ms. Vidales increased funding by \$2,000 for the purchasing of new books. She went on to explain the criteria and process for selecting books for the library collection.

Public Works Director Tomas Villagomez informed of the departments plan to purchase a John Deere Tractor, fuel tanks, a truck for the streets division, a 4-seater Gator, a line striper, a backhoe and a new trailer for the parks division. Mr. Perez mentioned the projects on street improvements which included Mile 1 E. Project, Dakota Street, and Mile 2 W to Llano Grande. Mr. Villagomez recently purchased a hotbox machine to assist with paving repairs. He spoke about the irrigation efforts to install pipes in the park. However, watering has been minimized due to water restrictions. There was ongoing discussion about the needs and conditions of parks and playground equipment.

Interim Finance Director Meredith Hernandez stated the budget has increased from \$15 million last year to \$17 Million this year. There is a projection of \$7 million increase in reserves. The Enterprise Fund in previous years had a balance of \$0 and the general fund was subsidizing the expenditures. Last year the enterprise fund saw a increase in revenues

of \$600,00 and this year is projected to end in a balance of \$2 million. Both last year and this year, the Utility fund repaying the general fund \$300,000. Water rates are scheduled to increase again on October 1, 2024.

Commissioner Martinez thanked management and staff for all their hard work.

7. ADJOURNMENT

Commissioner Martinez motioned to adjourn. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 12:58 p.m.