

**MERCEDES CITY COMMISSION
SPECIAL MEETING
NOVEMBER 7, 2024 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr. Dr. Ruben J. Saldana Dr. Jacob C. Howell Joe Martinez Armando Garcia	Mayor Mayor Pro-Tem Commissioner Commissioner Commissioner
STAFF PRESENT:	Alberto Perez Martie Garcia-Vela Joselynn Castillo Juan Vasquez Meredith Hernandez Orlando Diaz	City Manager City Attorney (virtual) City Secretary I.T Specialist Interim Finance Director Lieutenant

OTHERS PRESENT: Cindy Waddle Pastor Dave Dillon, Hector Siller, Amanda Agueros, Hiram Gutierrez, Janell Caso, Rene Cavazos

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 constitutes a full quorum.

3. INVOCATION

Mayor Pro-Tem Saldana said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Martinez led in the Pledge of Allegiance.

5. OPEN FORUM-

There were no comments from the public.

6. PRESENTATIONS:

a. **Proclamation for the Children’s Bereavement Center**

Interim Executive Director Cindy Waddle informed the Commission about the Children’s Bereavement Center and highlighted the importance of supporting children’s mental health after experiencing loss. Mayor Montoya spoke about the Center’s impact and read a proclamation naming November as Children’s Awareness Month. Ms. Waddle accepted the proclamation on behalf of the Center and expressed gratitude to the Commission for their recognition. She noted that the Children’s Bereavement Center offers its services at no cost and can be reached at cbcrgv.org or by calling 956-368-4065.

b. **Presentation by Pastor Dave Dillon regarding NOMADS Projects for 2025**

Pastor Dave Dillon informed the Commission about the NOMADS’ 2025 projects and requested the City’s assistance in identifying five families in need who could benefit from their support. NOMADS provide light construction and remodeling services to churches and community homes, such as adding lights, modifying homes to be wheelchair accessible, replacing countertops, repainting structures, relocating electrical outlets, and building additional rooms. Pastor Dillon mentioned that they can recruit skilled workers as needed. He asked the Commission to provide a list of eligible clients within the next few weeks. In response to a question, he clarified that the NOMADS have an approved budget, with additional financial support from the church, covering both materials and labor. They are only requesting assistance with identifying clients.

c. **Presentation by Engie regarding industrial batteries**

Mr. Anthony Hall presented Engie North America’s plans for lithium battery storage development in Mercedes. Engie, a global company with over 45 years of experience and service to 1.5 million homes in the U.S., is the largest developer and operator in the country. Mr. Hall explained that growing electricity demand necessitates such expansions. This project will generate sales tax revenue during construction and ongoing property tax revenue. Engie will work closely with utility companies and comply with all permitting requirements, prioritizing safety and coordinating with first responders. The location is classified as remote. In response to a question, Mr. Hall confirmed

they have not decommissioned any projects to date, but they will ensure proper decommissioning if needed, with dedicated funding. Mayor Montoya asked if they could improve the road conditions, and Mr. Hall agreed to discuss this with TxDOT. The substation will strengthen the Mercedes electrical grid, ensuring reliable power during weather events. Commissioner Howell expressed enthusiasm for the project, and Mr. Hall stated that it could lower energy costs and bring in tax revenue. Mr. Fabrice Larre from Engie added that the project's footprint will be small relative to the revenue it will generate for Mercedes. Mayor Pro-Tem Saldana inquired about battery lifespan, and Mr. Hall confirmed it to be 15-20 years.

At this time, Mayor Montoya moved to item 7B as it relates to the presentation by Engie.

d. **Presentation by TxDOT regarding the Municipal Maintenance Agreement**

TxDOT Area Engineer Hector Siller and Ms. Amanda Agueros presented the updated Municipal Maintenance Agreement (MMA) required by transportation code. Key changes include drainage and sidewalk responsibilities: the state is responsible for structural maintenance, while the city handles litter control, debris clearance, and vegetation management. The agreement also covers responsibilities for controlled and non-controlled access areas and applies across Hidalgo County. The city is responsible for landscaping. In response to a question, Mr. Siller noted that while a landscaping agreement is in progress, the city may beautify TxDOT areas, though irrigation lines need to be considered. Commissioner Howell asked if TxDOT could inspect drainage lines with a camera, and Mr. Siller confirmed they have equipment for such inspections. Mayor Pro-Tem Saldana raised safety concerns regarding fatalities near a school on FM 491 and requested follow-up.

Mayor Montoya moved to the addendum items.

ADDENDUM:

e. **Presentation by Perdue Brandon Fielder Collins & Mott, LLP of the Collection Report October 1, 2023 to September 30, 2024**

Mr. Hiram Gutierrez presented Perdue's delinquent tax services to the Commission. He explained that they make home and business visits, arrange payment agreements, and continue working with taxpayers post-judgment. They filed three warrants totaling \$7,017 in base taxes and sold eight tax-delinquent properties for \$65,000. Mr. Gutierrez reported an increase of 36.53% in base tax collections from last fiscal year and noted that since 2016, Perdue has collected \$302,528 for the city. Over \$400,000 in base taxes remains deferred.

Item 9g. Approval of Resolution 2024-34 authorizing the Resale of Foreclosed Real Estate Properties for failure to pay ad valorem taxes

Commissioner Martinez motioned to move to item 9g. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

Mr. Gutierrez explained the need for a January tax resale, proposing a \$10,000 minimum bid, and clarified that the city could purchase properties. Mayor Montoya tabled the item for the next meeting.

7. CONSENT AGENDA:

a. **Approval of Minutes for Meeting(s) held October 15, 2024**

b. **Approval of Second and Final Reading of Ordinance 2024-17 to rezone Lot 132, Block 112, South Campacuas Addition (3.475 Acres, Part of a called 28.56 Acres), from "N" Newly Annexed to Class "LI" Light Industrial**

Commissioner Martinez motioned to approve. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously. At this time, the Commission moved back to item 6D.

c. **Approval of the Second and Final Reading of Ordinance 2024-18 regarding the voluntary annexation for North Valley Village**

Commissioner Martinez motioned to approve item A and C. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

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

a. **Approval of Agreement for the Temporary Closure of State Right-of-Way for the Veterans Day Parade**

i. **Approval of Resolution 2024-29 for the Temporary Closure of State Right-of-Way**

b. **Approval of Agreement for the Temporary Closure of State Right-of-Way for the Christmas Parade**

i. **Approval of Resolution 2024-30 for the Temporary Closure of State Right-of-Way**

Commissioner Martinez motioned to approve both Resolutions for the Temporary Closure of State Right-of-Way. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

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

a. **Approval of First Reading of Ordinance 2024-19 to Increase All Business License New/Renewal Fees in City of Mercedes**

Mr. Perez stated this item is to update the fees for business license fees. At a question, Mr. Perez stated about half of the businesses have a current business license. He added that the city has now added another employee to assist with getting businesses up to date. Commissioner Martinez motioned to approve. Commissioner Garcia seconded. Commissioner Howell suggested a tier system for businesses such as industrial and small business. Mr. Perez stated the fee will be the same and industrial may not require as many city services as small businesses would. The city charges \$25 and will increase the fee to \$100 and \$80 annual renewals. Upon a called vote, the motion passed unanimously.

- b. **Approval of First Reading of Ordinance 2024-20 regarding Vacation rental platform permits**
Mayor Pro-Tem Saldana motioned to approve and waive the reading. Commissioner Garcia seconded. Mr. Perez stated the permit will allow the city to track the rentals in Mercedes. The rentals need to pay sales tax and will go towards hotel motel tax. Mayor Montoya stated a tax is charged for the rental properties but is not forwarded to the city. The city was behind and now the city is operating as it should. The rental properties need to be inspected. Upon a called vote, the motion passed unanimously.
- c. **Approval of First Reading of Ordinance 2024-21 regarding Tire disposal inventory**
Mr. Perez explained that the ordinance is being introduced to address the issue of illegal tire dumping in the city. Under the new ordinance, tire shops will be required to mark the tires they handle to verify proper disposal practices. Commissioner Martinez motioned to approve the ordinance, and Mayor Pro-Tem Saldana seconded. Mayor Montoya recommended that the Police Department review transportation regulations regarding individuals hauling tires. Upon a called vote, the motion passed unanimously.
- d. **Approval of Resolution 2024-31 to update the authorized user of the credit card**
Ms. Hernandez stated the city has three credit cards but the accountant needs to be updated. Commissioner Martinez motioned to approve. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.
- e. **Approval of Resolution 2024-32 regarding the election of the Hidalgo County Appraisal District Board of Directors**
Mayor Montoya stated the votes can be split or be all for one person. He recommended to go with someone local which is Joe Olivarez. Commissioner Martinez motioned to give the 30 votes to Joe Olivarez. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.
- f. **Consideration and Approval of a Resolution requesting Financial Assistance from the Texas Water Development Board for constructing various public improvements to the City's Utility System; authorizing the City's Financial Advisors, Bond Counsel, and Engineers to Coordinate the submission of one or more applications to the Texas Water Development Board, and other matters in connection therewith (2024-33)**
Mr. Perez reported that the city has been invited to reapply for funding from the Texas Water Development Board. Commissioner Martinez moved to approve the application, with Mayor Pro-Tem Saldana seconding the motion. Mayor Montoya noted that the city is applying for a grant with a maximum funding ceiling of \$30 million. Upon a called vote, the motion passed unanimously.

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

- a. **Approval to solicit RFQ's for Municipal Court Judge Services (Comm. Dr. Howell & Comm. Martinez)**
Mr. Perez explained that the current three judges are serving in a temporary capacity to assist with the transition and may apply for the permanent position. In response to a question, Mr. Perez confirmed he could provide a report on the matter. Commissioner Martinez moved to approve issuing a Request for Qualifications (RFQ) for the position, and Commissioner Howell seconded the motion. Commissioner Martinez inquired if the judge would need to be bonded, to which it was confirmed that bonding would be required. Upon a called vote, the motion passed unanimously.
- b. **Approval of Interlocal Agreement for Urban County Workplan for Fiscal Year 2024-2025**
Commissioner Martinez motioned to approve. Mayor Pro-Tem Saldana seconded. Upon a called vote, the motion passed unanimously.
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 8:08 p.m.

11. 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**
- d. **Consultation with Attorney regarding Economic development – Section 551.074 & 551.087**

12. OPEN SESSION: Mayor Montoya called the meeting back to order at 9:22 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
 - d. Possible Action pertaining to executive session item d
- No action was take on any item discussed in executive session.

13. Adjournment

Commissioner Martinez motioned to adjourn. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 9:22 p.m.