



Mayor Oscar D. Montoya
Mayor Pro-Tem Joe Martinez
Commissioner Leonel Benavidez

Commissioner Jacob Howell
Commissioner Jose M. Gomez
City Manager Alberto Perez

MERCEDES CITY COMMISSION
SPECIAL MEETING
JUNE 7, 2022 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS
400 S. OHIO AVE., MERCEDES, 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. **Open Forum-**

Maximum length of time of forum is forty-five minutes with individual presentations limited to a maximum of five minutes. The City Commission can take no formal action on any city related matter discussed during the open forum. Persons who wish to participate in this portion of the meeting shall sign up as they arrive, indicating the topic about which they wish to speak. No one will be able to sign up **AFTER 6:20 PM**. The information required for signing up must be completed by that time. No public comments will be allowed during any agenda item unless recognized by the Mayor or if the item requires a public hearing. State your name and address before beginning your presentation.

There can be no comments about specific employees. By Charter, the City Manager is exclusively given authority over personnel matters, including complaints against city personnel. All complaints against city personnel will be addressed pursuant to Mercedes Personnel Policies. Comments must not be repeated and the Commission is not required to answer any question from the public. Any person who decides to directly question any member of the City Commission will be asked to discontinue their comments. The City Secretary's office representative will be responsible for notifying each presenter that their five-minute time limit has expired.

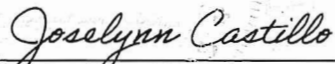
6. **Consent Agenda:** *(All matters listed under Consent Agenda are considered to be routine by the Governing Body and will be enacted by one motion. There will be no separate discussion of these items; however, if discussion is desired, that item(s) will be removed from the Consent Agenda and will be considered separately.)*
 - a. Approval of Minutes for Meeting(s) held May 17, 2022 & May 26, 2022.
 - b. Approval of Budget Amendment from Human Resources to Police Vehicle Maintenance
7. **City Manager Comments**
 - a. Proclamation for the Mercedes High School Softball Team.(Comm. Howell & Martinez)
 - b. Recognition and Welcome of New Corporals.
 - c. Update on continued preparations for potential drop in revenue due to continued economic uncertainty.(Comm. Howell & Martinez)
 - d. Update on TIRZ and Opportunity Zone
8. **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 and Consultation with Attorney regarding personnel matters.- Section 551.074
 - b. Consultation with Attorney regarding industrial waste - Section 551.071
 - c. Consultation with Attorney regarding update on legal matters - Section 551.071
 - d. Deliberation with Attorney regarding Real Property Encroachment - Section 551.072
 - e. Deliberation with Attorney regarding procurement of Real Property - Section 551.072
 - f. Deliberation with Attorney regarding contract for Waste Connections - Section 551.071
 - g. Consultation with Attorney regarding Water Rate Study - Section 551.071
9. **Ordinance/Resolutions:** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Resolution # 2022-07 for Request to Increase the Credit Card Limit.
 - b. Resolution # 2022-08 to update Bank Signatories
 - c. Resolution # 2022-09 to approve the Funding Opportunity Announcement for WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2023.
 - d. Resolution # 2022-10 to resell properties acquired through tax foreclosure proceedings.

- e. Ordinance # 2022-08 to implement the recommended water rate schedule based on recommendations from the Water Rate Study.
- f. Ordinance # 2022-09 to update the Planning and Building Permit Fees.
- 10. **Management Item(s):** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Elida Fest Sponsorship Request
 - b. Appointing a Member from the Commission to the DCM Marketing Committee.
 - c. Approval on new Appointment of Member to the Keep Mercedes Beautiful Committee.
 - d. Partnerships to promote improved maintenance of the downtown area. (Comm. Saldana & Garcia)
- 11. **Bids/Contracts:** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Directing City Manager and Legal to renew the contract with Waste Connections
- 12. **Open Session:** *Discuss, Consider, and Possibly Take Action Regarding*
 - a. Item A listed in executive session.
 - b. Item B listed in executive session.
 - c. Item C listed in executive session.
 - d. Item D listed in executive session
- 13. **Adjournment**

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a **Regular Meeting** on Tuesday, June 7, 2022 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 3RD DAY OF JUNE, 2022.

ATTEST:



Joselynn Castillo, City Secretary
Time of Posting: 7:40 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.

**MERCEDES CITY COMMISSION
SPECIAL MEETING
MAY 17, 2022 – 5:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr.	Mayor
	Leonel Benavidez	Commissioner
	Jacob Howell	Commissioner
	Ruben Saldana	Commissioner-Elect
	Armando Garcia	Commissioner-Elect
MEMBERS ABSENT:	Joe Martinez	Mayor Pro-Tem
	Jose M. Gomez	Commissioner
STAFF PRESENT:	Alberto Perez	City Manager
	Martie Garcia-Vela	City Attorney
	Joselynn Castillo	City Secretary
	Javier Ramirez	Asst. City Manager
	Kristine Longoria	Human Resources
	Ervin Vilchis	IT Assistant
	Blanca Sanchez	Interim Chief of Police
	Nereida Perez	Finance Director
	Joaquin Hernandez	Public Works Director
	Richard Morin	Recreation Direction
	Javier Campos	Fire Chief
	Marisol Vidales	Library Director

OTHERS PRESENT: Axel Vallejo, Brianna Casares, Francisco Sanchez, Isaias Rodriguez, Pedro Estrada, Jesus Rodriguez, Orlando Diaz, Urbano Lopez,

1.) CALL MEETING TO ORDER

Mayor Montoya called the meeting to order at 5:30 p.m.

2.) ESTABLISH QUORUM

Three members of the Commission were present which constitutes a quorum.

3.) INVOCATION

Louie said the invocation.

4.) PLEDGE OF ALLEGIANCE

Mayor Montoya lead the Pledge of Allegiance. Mayor Montoya welcomed the dignitaries in attendance.

5.) OPEN FORUM

- Mr. Leonel Benavidez addressed the public regarding false statement made about him during the elections. He listed some of the statements made and added that he chose to run independently. Mr. Benavidez announced his intention to run for candidacy at the next election. Mr. Benavidez stated several of the accomplishments from his time in office which included drainage improvements, the reconstruction of the PD building, and new businesses. He stated he voted for equipment and supplies,

referenced the arrests in 2019 and meeting to remove him from office. He expects accountability from the new commissioners. Mr. Benavidez stated that he asked for the audit from former Commissioner Lopez prior to him being in office and the audit passed.

6.) CANVASS THE RETURNS OF THE 2022 CITY OFFICER'S ELECTION FOR COMMISSIONER PLACE 2 AND COMMISSIONER PLACE 4 AND DECLARING THE RESULTS.

Mayor Montoya read the official results for the election held Saturday, May 7, 2022.

COMMISSIONER PLACE 2

<u>NAME</u>	<u>Mail</u>	<u>Early Voting</u>	<u>Election Day</u>	<u>Total</u>
Armando Garcia	63	498	175	735
Leonel Benavidez	45	411	151	607

COMMISSIONER PLACE 4

<u>NAME</u>	<u>Mail</u>	<u>Early Voting</u>	<u>Election Day</u>	<u>Total</u>
Ruben J. Saldaña	65	518	175	758
Jose Gomez	30	298	113	441
Jovana Trevino-Garcia	13	95	41	149

344 votes were cast on election day; 923 votes were cast during early voting, 110 absentee ballots and no provisional votes were cast.

Armando Garcia received the majority of the votes for Commissioner Place 2. A petition for recount was filed and the swearing-in will take place after the recount.

Ruben J. Saldana received the majority of the votes for Commissioner Place 4.

7.) ADMINISTER OATH OF OFFICE TO NEWLY ELECTED COMMISSIONER PLACE 2

This item was tabled pending the results for Recount filed by Commissioner Benavidez.

8.) ADMINISTER OATH OF OFFICE TO NEWLY ELECTED COMMISSIONER PLACE 4

State Rep. Armando Martinez administered the oath of office to Newly Elected Commissioner Ruben Saldana. Mayor Montoya welcomed the Newly Elected Commissioner Saldana.

9.) DISCUSSION AND POSSIBLE ACTION ON APPOINTMENT OF MAYOR PRO-TEM

Commissioner Benavidez made a motion to postpone the appointment of Mayor Pro-Tem. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

10.) ADJOURNMENT

Mayor Montoya adjourned the meeting at 5:44 P.M.

**MERCEDES CITY COMMISSION
REGULAR MEETING
MAY 17, 2022 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr.	Mayor
	Joe Martinez	Mayor Pro-Tem
	Leonel Benavidez	Commissioner
	Jacob Howell	Commissioner
	Ruben Saldana	Commissioner-Elect
	Armando Garcia	Commissioner-Elect
MEMBERS ABSENT:	Jose M. Gomez	Commissioner
STAFF PRESENT:	Alberto Perez	City Manager
	Martie Garcia-Vela	City Attorney
	Joselynn Castillo	City Secretary
	Javier Ramirez	Asst. City Manager
	Kristine Longoria	Human Resources
	Ervin Vilchis	IT Assistant
	Blanca Sanchez	Interim Chief of Police
	Nereida Perez	Finance Director
	Joaquin Hernandez	Public Works Director
	Richard Morin	Recreation Direction
	Javier Campos	Fire Chief
	Marisol Vidales	Library Director

OTHERS PRESENT: Axel Vallejo, Brianna Casares, Francisco Sanchez, Isaias Rodriguez, Pedro Estrada, Jesus Rodriguez, Orlando Diaz, Urbano Lopez,

1. CALL MEETING TO ORDER

Mayor Montoya welcomed everyone and called the meeting to order at 6:30 p.m.

2. ESTABLISH QUORUM

Four members of the Commission were present which constitutes a quorum. Mayor Pro-Tem Martinez arrived during the invocation.

3. INVOCATION

Mayor Montoya said the Invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Saldana led in the Pledge of Allegiance.

5. OPEN FORUM

- Mr. Ramon Mejia addressed the Commission about item 8A of the agenda regarding the AC units at the Dome. He stated the AC is meant to last 20 years. He recommends calling the installer because they can repair the units. He stated next time he recommends buying a service contract for maintenance. Mr. Mejia added that if the ACs are repaired they may last another 15 years.

- Ms. Guerrero congratulated the new commissioners. She asked that they keep in mind the oath the commission took to faithfully execute the laws. She stated that the people were disappointed with how it was handled. She stated that there was a lot of lies. The outcome was low and people were being intimidated and didn't want to come out to vote. She asked that the Commission keep the community informed and thanked Commissioner Benavidez for always keeping the community informed.
- Mr. Leonel Benavidez informed the Commission and residents about the importance of being informed. He stated everyone can send an open records request to the City Secretary's office. He stated its always best to see the information yourself. He added that a petition was filed and information kept changing regarding costs and added that everyone involved was open minded and contacted proper authorities. He stated there is no shame in submitting open records request.

6. CONSENT AGENDA:

a. Approval of Minutes for Meeting(s) held May 3, 2022.

b. Approval of surplus items for auction.

Mayor Pro-Tem Martinez made a motion to approve consent agenda items A & B. Commissioner Benavidez seconded. Upon a called vote, the motion passed unanimously.

7. Management Items: *Discuss, Consider, and Possibly Take Action Regarding:*

a. Organizing and preparing for the 2022 Hurricane Season.

Mayor Pro-Tem Martinez and Commissioner Howell requested this item. Mayor Pro-Tem Martinez stated that staff has identified areas to clean. He stated he would like staff to start cleaning out the drains and cleaning the ditches owned by the City to be ahead of the curb in the event of a storm. Commissioner Howell added about having a committee to have input on the projects going on. Mr. Perez stated that staff has had a planning meeting for hurricane preparedness. He added that the plan is being updated and KMB wanted to assist in cleaning inlets. Mr. Perez asked for volunteers to assist in the cleaning events. Commissioner Benavidez stated that a committee can be placed on the next meeting due to it not being stated on the agenda. Mayor Montoya stated that if the City picks up more brush than on the contract then it will cost money. Mayor Montoya stated that there are many regulations for assistance from FEMA and residents will need to have insurance at least 30 days prior to a named storm and asked for the PIO to put advertise the importance of getting flood insurance. Mr. Perez stated that the fourth detention pond has been completed. Mayor Pro-Tem Martinez stated to go through the Chamber of Commerce to provide more information about flood insurance and to emphasize on the areas that flood for brush pick up. Commissioner Howell asked for a plan of action to be put in place. No action.

b. Request to seek bids for the Mercedes Dome A/C units

Mr. Perez stated that there are three units out at the Dome. Mayor Pro-Tem Martinez made a motion to approve the request for bids due to the summer and to keep the kids that attend the dome cool during their games. Commissioner Howell seconded. Mr. Richard Morin stated that the AC units were installed in 2015.

Commissioner Benavidez stated that he would like a report. Mr. Perez stated the city is requesting for someone to check the units and see the what can be done. Mr. Morin stated that the machines has only one-year warranty and the he reached out to the manufacturer and their recommendation was to replace the units. Commissioner Saldana recommended to have a longer warranty if the item is replaced. Upon a called vote, the motion passed unanimously.

8. BIDS/CONTRACTS: *Discuss, Consider, and Possibly Take Action Regarding:*

a. Updated Facility Use Agreement with the American Red Cross and the City of Mercedes

Chief Campos stated that the agreement is an update and the previous agreement had the previous Mayor and Fire Chief to activate the shelter. Commissioner Howell motioned to approve. Commissioner Benavidez seconded. Upon a called vote, the motion passed unanimously.

9. MONTHLY DEPARTMENTAL REPORTS:

Commissioner Saldana commended the Library for their report and the level of detail they provide in their report. He asked about some acronyms used in the PD report and thanked them for their service. Commissioner Howell thanked the PD for National Police week. No action required for this item.

Mayor called the meeting into executive session at 7:01 P.M.

10. EXECUTIVE SESSION:

a. Consultation with Attorney regarding update on legal matters – Section 51.071 Texas Gov't Code Annotated – Consultation with Attorney

Mayor Called the meeting back to order at 7:13 P.M.

11. OPEN SESSION: *Discuss, Consider, and Possibly Take Action Regarding:*

a. Item A listed in executive session.

Commissioner Howell made a motion to have legal team move forward. Commissioner Benavidez seconded. Upon a called vote, the motion passed unanimously.

12. ADJOURNMENT

Mayor Pro-Tem Martinez motioned to adjourn. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 7:14 P.M.

**MERCEDES CITY COMMISSION
SPECIAL MEETING
MAY 26, 2022 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr.	Mayor
	Joe Martinez	Mayor Pro-Tem
	Leonel Benavidez	Commissioner
	Jacob Howell	Commissioner
	Ruben Saldana	Commissioner
	Armando Garcia	Commissioner-Elect
STAFF PRESENT:	Alberto Perez	City Manager
	Martie Garcia-Vela	City Attorney (phone)
	Joselynn Castillo	City Secretary
	Javier Ramirez	Asst. City Manager
	Ervin Vilchis	IT Assistant
	Joaquin Hernandez	Public Works Director
	Javier Campos	Fire Chief

OTHERS PRESENT: County Commissioner David Fuentes, Axel Vallejo, Brianna Casares, Francisco Sanchez, Jose Hernandez, Pedro Estrada, Juan Vega Jr., Orlando Diaz,

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 Martinez said the invocation.

4.) PLEDGE OF ALLEGIANCE

Kendrick Robinson, MPT daughters led in the pledge of allegiance.

5.) OPEN FORUM

- Commissioner Benavidez expressed his condolences to the students and families of Uvalde, TX. He expressed his gratitude for his opportunity of being elected for Commissioner Place 2. He informed everyone of the issues he assisted in resolving. The election for place 2 was not as clean as everyone may think. He stated that he has been accused of sending political advertisement to others outside city limits which Commissioner Benavidez denied. He spoke about the recount and issues about family members being compensated for the recount. He stated everyone should stay vigilant and hold people accountable. He added that people say this is how it works but people should do their own research.

6.) ADMINISTER OATH OF OFFICE FOR NEWLY ELECTED COMMISSIONER PLACE 2.

Commissioner David Fuentes administered the Oath of Office to Newly elected Commissioner Armando Garcia. He stated that it takes a lot of courage to be the voice for

the people. He wished him the best of luck and congratulated him. He thanked Commissioner Benavidez for his service.

Mayor Montoya gave both newly elected commissioners a chance to speak.

Commissioner Saldana recognized his family and friends. The most important thing is to move the city forward. His priority is to work together and treat everyone with respect.

Commissioner Saldana commended the staff and wants to work on strategic planning. He listed some projects to consider like street cleaning, i.e 10th Street between Florida St. to the Stadium and work on getting people utility services if they are paying or to remove it.

Commissioner Garcia thanked everyone for their support and is ready to hit the ground running. Mayor Montoya clarified that the elections department was professional and stated that the system was impressive and there is no way to mess with the election.

Mayor Montoya thanked Commissioner Fuentes for always assisting the City during storms and thanked State Rep. Martinez.

7.) ADJOURNMENT

Commissioner Howell motioned to adjourn. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 6:54 P.M.

CONSENT ITEM : YES

DATE: June 7, 2022**FROM:** Joaquin Hernandez Jr., Public Works Director**ITEM:** Discussion and Possible Action to Approve Budget Amendment from Human Resources Budget to Police Vehicle Maintenance Budget

BACKGROUND INFORMATION: Public Works is requesting the approval from the City Commission to approve the budget amendment for the amount of \$20,058.00 from the vacant position in Human Resources to cover police vehicle repairs.**BOARD REVIEW/CITIZEN FEEDBACK:** N/A**ALTERNATIVES/OPTIONS:** N/A**FISCAL IMPACT:** N/A**Proposed Expenditure/(Revenue):****Account Number(s):****Finance Review by:** Nereida Perez, Finance Director**LEGAL REVIEW:****ATTACHMENTS:** Budget Amendment Form**DRAFT MOTION:** Move to approve to budget amendment.

CITY OF MERCEDES
BUDGET AMENDMENT


FUND: 01
DEPT: 513 to 522

BUDGET AMENDMENT# _____

DATE POSTED: _____

Fund	G/L ACCT#	DESCRIPTION	Approved Budget	Increase	Decrease	Amended Budget
01	513-1010	FULL-TIME EMPLOYEES	62,150.00		(16,250.00)	45,900.00
01	513-1100	PENSION CONTRIBUTION	10,528.00		(2,565.00)	7,963.00
01	513-1120	SOCIAL SECURITY	4,754.00		(1,243.00)	3,511.00
01	532-2563	VEHICLES-POLICE DEPT	50,000.00	20,058.00		70,058.00
		TOTAL	127,432.00	20,058.00	(20,058.00)	127,432.00

Justification/Explanation for change:
TO COVER PD VEHICLE REPAIRS
FUNDS USED ARE FROM VACANT PO

DEPARTMENT HEAD  DATE 05/19/22

Finance Director
DATE 05/19/2022

CITY MANAGER _____ DATE _____

MAYOR _____ **DATE** _____

CONSENT ITEM : NO

DATE: June 1, 2022**FROM:** Commissioner Jacob Howell and Mayor Pro-Tem Martinez**ITEM:** **City Manager Comments**

Update on continued preparations for potential drop in revenue due to continued economic uncertainty.

BACKGROUND INFORMATION:

Every department's expenditures and revenues are monitored every month. If revenues are not matching estimated projections, respective adjustments will be made to ensure every department stays within budget. Plans are in place to delay major expenditures if necessary and/or not filling every vacancy immediately when appropriate and possible. Over time continues to be closely monitored also to avoid going over budget.

BOARD REVIEW/CITIZEN FEEDBACK: N/A**ALTERNATIVES/OPTIONS:** N/A**FISCAL IMPACT:** N/A**LEGAL REVIEW:** Martie Garcia-Vela**ATTACHMENTS:** N/A**DRAFT MOTION:** N/A

DATE: June 1, 2022

FROM: Alberto Perez

ITEM: **City Manager Comments**

Update on TIRZ and Opportunity Zone

TIRZ cleanup process is in the final stages. Once the audit is completed, an approved copy will be submitted to the County Auditor for finalization the outstanding TIRZ matters.

Opportunity Zone as well as the previously discussed programs are available and being offered to potential business developers.

BACKGROUND INFORMATION:

The following items were discussed in previous city meetings:

1. Texas Capital Fund (TCF) Downtown Revitalization Program is to aid in the elimination of area slum/blight for Texas communities. Opportunities to revitalizing the downtown area.
2. Consideration in the development of a Mainstreet Program to ensure downtown building are kept up, sidewalks are maintained, lighting is adequate etc...
3. Texas Enterprise Fund to support grants for companies to setup shop in Mercedes to increase the number of jobs available and spur economic growth.
4. Tax Increment Reinvestment Zones (TIRZs) are special zones created by City Council to attract new investment in an area. These zones help finance costs of redevelopment and promote growth in areas that would otherwise not attract sufficient market development in a timely manner. Taxes attributable to new improvements (tax increments) are set-aside in a fund to finance public improvements within the boundaries of the zone.

Chapter 380 of the Local Government Code authorizes municipalities to offer incentives designed to promote economic development such as commercial and retail projects. Specifically, it provides for offering loans and grants of city funds or services at little or no cost to promote state and local economic development and to stimulate business and commercial activity.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Martie Garcia-Vela

ATTACHMENTS: N/A

DRAFT MOTION: N/A

Ordinance/Resolutions

DATE: June 7, 2021
FROM: Nereida Perez, Finance Director
ITEM: **Staff is requesting to Increase the Credit Card Limit**

BACKGROUND INFORMATION:

The City used to process checks for all hotel reservations in the past, but in the last year, hotels are no longer accepting checks as a form of payment and we must use the credit card to pay for all hotel stays.

Due to an increase in travel and the use of the city credit card, staff is recommending increasing the credit card limit from \$10,000 to \$20,000.

We are also recommending adding an additional card, since the card is also used for any purchases that are necessary with a credit card. During the hurricane season, when necessary, a card is also included with the Finance packet and provided to the EMC (Chief Campos) in case of emergencies and therefore a second card would be useful.

A bank resolution for the increase of the credit card and the additional card held with Texas National Bank is attached to this summary.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

Proposed Expenditure/(Revenue):

Account Number(s):

Finance Review by: Nereida Perez, Finance Director

LEGAL REVIEW:

ATTACHMENTS:

1. Bank Resolution

DRAFT MOTION: Staff recommends approval of bank resolution for credit card.

RESOLUTION#_2022-07_

WHEREAS, The City of Mercedes, Texas, like other cities, uses a credit card to facilitate the process of typical city business, events, and other administrative operations; and,

WHEREAS, The City of Mercedes, Texas uses a credit card from Texas National Bank that mandates a city staff member that is currently employed to be listed on the credit card, and

WHEREAS, the City had previously authorized a limit of \$10,000, and

WHEREAS, it is now necessary to increase that limit to \$20,000.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Mercedes, Texas that the City Commission authorizes **Finance Director Nereida Perez** and **Chief Accountant Meredith Hernandez** to be the official staff persons '*named*' on the City of Mercedes credit cards as issued by Texas National Bank with the amount being limited to a maximum amount of \$10,000 per card.

BE IT FURTHER RESOLVED THAT Texas National Bank (TNB) of Mercedes, Texas is hereby authorized and instructed to honor TNB financial processes as signed by and countersigned by the above listed official until such time as Texas National Bank is otherwise instructed.

Discussed, Passed and Approved on this the 7TH Day of June, 2022.

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo, City Secretary

Ordinance/Resolutions

DATE: June 8, 2021**FROM:** Nereida Perez, Finance Director**ITEM:** Resolution to update bank signatories

BACKGROUND INFORMATION:

With the election of two new commissioners, the City is now required to update the signatories at our depository institution, Texas National Bank.

Attached is a resolution to authorize the addition of the new commissioners for banking purposes.

BOARD REVIEW/CITIZEN FEEDBACK: N/A**ALTERNATIVES/OPTIONS:** N/A**FISCAL IMPACT:** N/A

Proposed Expenditure/(Revenue):	Account Number(s):

Finance Review by: Nereida Perez, Finance Director**LEGAL REVIEW:****ATTACHMENTS:**

1. Bank Resolution-Signatures

DRAFT MOTION: Staff recommends approval.

RESOLUTION #2022-08

BE IT AUTHORIZED BY THE CITY COMMISSION OF THE CITY OF MERCEDES, TEXAS, that the City Commission authorizes

Mayor Oscar D. Montoya
Commissioner Jose M. Martinez
Commissioner Jacob C. Howell
Commissioner Ruben Martinez
Commissioner Armando Martinez

And they are each hereby authorized to sign and countersign checks on Texas National Bank, City of Mercedes accounts; and

BE IT FURTHER AUTHORIZED THAT the Texas National Bank of Mercedes, Texas, be and is hereby authorized and instructed to recognize the above listed signatures and to honor checks signed by and countersigned by the above listed Officials until such time as said bank is otherwise instructed.

Discussed, Passed and Approved on this the 7th Day of June, 2022.

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo, City Secretary

RESOLUTION NO. 2022-09

AGREEING TO CERTAIN REQUIREMENTS OF A WATERSMART FUNDING OPPORTUNITY FOR BUILDING LONG-TERM RESILIENCE TO DROUGHT AND REDUCE THE NEED FOR EMERGENCY UNDER THE DROUGHT RESPONSE PROGRAM: DROUGHT RESILIENCY PROJECTS FOR FISCAL YEAR 2023

WHEREAS, the City of Mercedes recognizes the need to conserve water and identify and implement alternative water supply opportunities, and

WHEREAS, the Bureau of Reclamation has issued a Funding Opportunity Announcement for WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2023 under the Department of the Interior, and Bureau of Reclamation, and

WHEREAS, the City of Mercedes desires to develop a drought resiliency program to meet these goals, now therefore;

BE IT RESOLVED by the City Commission of the City of Mercedes that:

Oscar D. Montoya Sr., Mayor of the City of Mercedes, has the legal authority to enter into an agreement for this project, and

The City Commissioners of the City of Mercedes being the governing body, supports the application submitted, and

The City Manager, Alberto Perez, has reviewed and supports the application to be submitted, and

The City of Mercedes has the capacity to provide the amount of funding and/or in-kind contributions specified in the funding plan, and

The City of Mercedes will work with Reclamation to meet established deadlines for entering into a cooperative agreement

PASSED AND APPROVED this 7th Day of June, 2022.

ATTEST:

Oscar D. Montoya Sr., **MAYOR**

Joselynn Castillo, **CITY SECRETARY**

RESOLUTION 2022-10
OF THE CITY COMMISSIONERS OF MERCEDES

On the 7th day of June, 2022, at the regularly scheduled meeting of the City Commissioners of Mercedes, a motion was duly made and seconded to resell properties described on Exhibit “A” attached hereto, which were acquired through tax foreclosure proceedings. The properties are being sold in accordance with Texas Tax Code Ann. §34.05.

Discussion was then conducted, and upon completion of the same the Mayor called for a vote on the motion, and the same was passed by majority. Now therefore:

BE IT RESOLVED that the City Commissioners of Mercedes approve the bids received on the properties described in the attached Exhibit “A” and authorizes the Mayor to execute the tax resale deed(s) conveying the approved properties.

SIGNED on this 7th day of June, 2022.

Oscar D. Montoya Sr.
Mayor
City of Mercedes

Attest:

Joselynn Castillo
City Secretary
City of Mercedes

Mercedes Independent School District Bids

Item	Tax Suit	Legal Description	Current Market Value (HCAD)	Amount Of Bid	Amount To Mercedes ISD	Buyer
1	T-090-07-B	ACCT. NO. V0575-02-000-0020-00; LOT 20, VALLE DE PALMAS SUBDIVISION, UNIT 2, AN ADDITION TO THE CITY OF MERCEDES, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF, RECORDED IN VOLUME 24, PAGE 147-B, MAP RECORDS OF HIDALGO COUNTY, TEXAS.	\$10,073.00	\$10,073.00	\$3,690.09	CITY OF MERCEDES
2	T-0954-17-A	PROPERTY CODE: GEO: C7000-00-007-0008-00 DESCRIPTION: TRACT 1: LOT 8, BLOCK 7, COLONIA GARZA, AN ADDITION TO THE CITY OF MERCEDES, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN THE OFFICE OF THE COUNTY CLERK OF HIDALGO COUNTY, TEXAS.	\$33,782.00	\$33,782.00	\$12,065.15	CITY OF MERCEDES



Property No. 1

T-090-07-B

This notice and the materials provided herein are for informational purposes only and do not constitute any legal advice. No reader should rely on, act, or refrain from acting on the basis of any information contained in this notice and the materials provided herein without seeking their own legal or other professional advice. Perdue, Brandon, Fielder, Collins, & Mott. L.L.P. [DOES NOT WARRANT](#) the quality or completeness of the information provided herein.

SHERIFF'S RESALE DISTRIBUTION SHEET

CAUSE NO.	T-090-07-B
ACCOUNT NO.:	V0575-02-000-0020-00
RESALE DATE:	10/4/2022
BID AMOUNT:	\$10,073.00
PURCHASER INFO:	City of Mercedes
	400 S. Ohio Ave.
	Mercedes, TX 78570

DISTRIBUTION

Bid Amount:	\$10,073.00
Costs:	\$2,227.00
Net to Distribute:	\$7,846.00

COSTS

Cost Description	Totals	Amount to Be Distributed for Costs	Remaining Balances	Payable To
Publication Fees	\$162.00	\$162.00	\$0.00	PBFCM
Ad Litem Fee	\$750.00	\$750.00	\$0.00	David R. Gorena
Court Costs	\$765.00	\$765.00	\$0.00	Hidalgo Co. District Clerk
Sheriff's Fees	\$275.00	\$275.00	\$0.00	Hidalgo Co. Sheriff's Office
Abstract Fees	\$0.00	\$0.00	\$0.00	
Recording Fees	\$100.00	\$100.00	\$0.00	PBFCM
LGBS Fees	\$175.00	\$175.00	\$0.00	LGBS
0	\$0.00	\$0.00	\$0.00	
0	\$0.00	\$0.00	\$0.00	
Subtotal:	\$2,227.00	\$0.00	\$0.00	
TOTAL (all costs)		\$2,227.00		

Bid Amount	\$10,073.00
Less Tax Sale Costs	\$2,227.00
Balance Forward of Bid Amount to be Distributed for Taxes	\$7,846.00

JUDGMENT TAXES - DISBURSED

Entity Name	Tax Year(s)	Bid Amount to be Distributed for Judgment Taxes	Percentage Of Judgment	Amount To Be Issued
Mercedes Independent School District		\$7,846.00	47.0315%	\$3,690.09
Hidalgo County		\$7,846.00	18.2084%	\$1,428.63
South Texas Independent School District		\$7,846.00	1.3838%	\$108.57
Hidalgo County Drainage District #01		\$7,846.00	1.8792%	\$147.45
South Texas College		\$7,846.00	4.8987%	\$384.35
City of Mercedes		\$7,846.00	26.5984%	\$2,086.91
0		\$7,846.00	0.0000%	\$0.00
0		\$7,846.00	0.0000%	\$0.00
Total			100.0000%	\$7,846.00

Hidalgo CAD

2021



Property

Account

Property ID:	312202	Legal Description:	VALLE DE PALMAS UT 2 LOT 20
Geographic ID:	V0575-02-000-0020-00	Zoning:	RS
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Location

Address:	1613 HEREFORD ST TX	Mapco:	
Neighborhood:	VALLE DE PALMAS #2	Map ID:	CMC VOL 24 PG 147B
Neighborhood CD:	V057502		

Owner

Name:	CITY OF MERCEDES	Owner ID:	1100550
Mailing Address:	ATTN: PERDUE, BRANDON, FIELDER, COLLINS & MOTT PO BOX 2916 MCALLEN, TX 78502-2916	% Ownership:	100.0000000000%
		Exemptions:	EX-XV

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$10,073	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$10,073	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$10,073	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$10,073	

Taxing Jurisdiction

Owner: CITY OF MERCEDES

% Ownership: 100.0000000000%

Total Value: \$10,073

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	APPRAISAL DISTRICT	0.000000	\$10,073	\$0	\$0.00
CMC	CITY OF MERCEDES	0.775000	\$10,073	\$0	\$0.00
DR1	DRAINAGE DISTRICT #1	0.126400	\$10,073	\$0	\$0.00
GHD	HIDALGO COUNTY	0.575000	\$10,073	\$0	\$0.00
JCC	SOUTH TEXAS COLLEGE	0.171500	\$10,073	\$0	\$0.00
R11	ROAD DIST 11	0.000000	\$10,073	\$0	\$0.00
SMC	MERCEDES ISD	1.352000	\$10,073	\$0	\$0.00
SST	SOUTH TEXAS SCHOOL	0.049200	\$10,073	\$0	\$0.00
Total Tax Rate:		3.049100			
Taxes w/Current Exemptions:					\$0.00
Taxes w/o Exemptions:					\$307.14

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	L	LOT	0.1542	6715.00	68.00	98.75	\$10,073	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	\$0	\$10,073	0	10,073	\$0	\$10,073
2021	\$0	\$10,073	0	10,073	\$0	\$10,073
2020	\$0	\$10,073	0	10,073	\$0	\$10,073
2019	\$0	\$10,073	0	10,073	\$0	\$10,073
2018	\$0	\$10,073	0	10,073	\$0	\$10,073
2017	\$0	\$10,073	0	10,073	\$0	\$10,073
2016	\$0	\$9,401	0	9,401	\$0	\$9,401
2015	\$0	\$9,401	0	9,401	\$0	\$9,401
2014	\$0	\$9,401	0	9,401	\$0	\$9,401
2013	\$2,145	\$9,401	0	11,546	\$0	\$11,546
2012	\$2,145	\$9,401	0	11,546	\$0	\$11,546
2011	\$2,145	\$9,401	0	11,546	\$0	\$11,546
2010	\$5,495	\$16,788	0	22,283	\$0	\$22,283
2009	\$5,830	\$16,788	0	22,618	\$0	\$22,618
2008	\$6,333	\$16,788	0	23,121	\$0	\$23,121

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
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1	8/26/2019	SHD	SHERIFF'S DEED	BDS INC	CITY OF MERCEDES	3050759
2	11/28/2000	QCD	QUITCLAIM DEED	SCHWARZ BRAD	BDS INC	924111
3	7/19/2000	DWW	DEED WITHOUT WARRANTY	SCHWARZ MARK A TRUSTEE	SCHWARZ BRAD	890091

Tax Due

Property Tax Information as of 03/04/2022

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
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NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.



1602 BRAHMAN
ST

102 W
DEIPA

1605 HEREFORD
ST

3613 HEREFORD
ST

1617 HEREFORD
ST

T-090-070-B

1602 HEREFORD
ST

1606 HEREFORD
ST

1610 HEREFORD
ST

1614 HEREFORD
ST

10100 ANGUS
ST



03/16/2022 11:43



Property No. 2

T-0954-17-A

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SHERIFF'S RESALE DISTRIBUTION SHEET

CAUSE NO.	T-0954-17-A
ACCOUNT NO.:	C7000-00-007-0008-00
RESALE DATE:	10/4/2022
BID AMOUNT:	\$33,782.00
PURCHASER INFO:	City of Mercedes
	400 S. Ohio Ave.
	Mercedes, TX 78570

DISTRIBUTION

Bid Amount:	\$33,782.00
Costs:	\$2,198.00
Net to Distribute:	\$31,584.00

COSTS

Cost Description	Totals	Amount to Be Distributed for Costs	Remaining Balances	Payable To
Publication Fees	\$162.00	\$162.00	\$0.00	PBFCM
Ad Litem Fee	\$750.00	\$750.00	\$0.00	Christopher Cavazos
Court Costs	\$491.00	\$491.00	\$0.00	Hidalgo Co. District Clerk
Sheriff's Fees	\$275.00	\$275.00	\$0.00	Hidalgo Co. Sheriffs Office
Abstract Fees	\$175.00	\$175.00	\$0.00	PBFCM
Recording Fees	\$100.00	\$100.00	\$0.00	PBFCM
LGBS Fees	\$245.00	\$245.00	\$0.00	LGBS
0	\$0.00	\$0.00	\$0.00	
0	\$0.00	\$0.00	\$0.00	
Subtotal:	\$2,198.00	\$0.00	\$0.00	
TOTAL (all costs)		\$2,198.00		

Bid Amount	\$33,782.00
Less Tax Sale Costs	\$2,198.00
Balance Forward of Bid Amount to be Distributed for Taxes	\$31,584.00

JUDGMENT TAXES - DISBURSED

Entity Name	Tax Year(s)	Bid Amount to be Distributed for Judgment Taxes	Percentage Of Judgment	Amount To Be Issued
City of Mercedes		\$31,584.00	34.5614%	\$10,915.87
Hidalgo County		\$31,584.00	15.2302%	\$4,810.31
Hidalgo County Drainage District #1		\$31,584.00	2.9578%	\$934.19
South Texas College		\$31,584.00	6.8985%	\$2,178.84
South Texas Independent School District		\$31,584.00	2.1518%	\$679.63
Mercedes Independent School District		\$31,584.00	38.2002%	\$12,065.15
0		\$31,584.00	0.0000%	\$0.00
0		\$31,584.00	0.0000%	\$0.00
Total			100.0000%	\$31,584.00

Hidalgo CAD

2022



Property

Account

Property ID:	151121	Legal Description:	COLONIA GARZA LOT 8 BLK 7
Geographic ID:	C7000-00-007-0008-00	Zoning:	RS
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Location

Address:	523 SILVER AVE MERCEDES, TX	Mapsco:	
Neighborhood:	COLONIA GARZA	Map ID:	CMC VOL 3 PG 55
Neighborhood CD:	C700000		

Owner

Name:	CITY OF MERCEDES	Owner ID:	1100550
Mailing Address:	ATTN: PERDUE, BRANDON, FIELDER, COLLINS & MOTT PO BOX 2916 MCALLEN, TX 78502-2916	% Ownership:	100.000000000000%
		Exemptions:	EX-XV

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$33,782	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$33,782	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$33,782	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$33,782	

Taxing Jurisdiction

Owner: CITY OF MERCEDES

% Ownership: 100.000000000000%

Total Value: \$33,782

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
CAD	APPRAISAL DISTRICT	0.000000	\$33,782	\$0	\$0.00
CMC	CITY OF MERCEDES	0.775000	\$33,782	\$0	\$0.00
DR1	DRAINAGE DISTRICT #1	0.126400	\$33,782	\$0	\$0.00
GHD	HIDALGO COUNTY	0.575000	\$33,782	\$0	\$0.00
JCC	SOUTH TEXAS COLLEGE	0.171500	\$33,782	\$0	\$0.00
R11	ROAD DIST 11	0.000000	\$33,782	\$0	\$0.00
SMC	MERCEDES ISD	1.352000	\$33,782	\$0	\$0.00
SST	SOUTH TEXAS SCHOOL	0.049200	\$33,782	\$0	\$0.00
Total Tax Rate:		3.049100			
Taxes w/Current Exemptions:					\$0.00
Taxes w/o Exemptions:					\$1,030.05

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	L	LOT	0.2041	8890.00	70.00	127.00	\$33,782	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2022	\$0	\$33,782	0	33,782	\$0	\$33,782
2021	\$0	\$33,782	0	33,782	\$0	\$33,782
2020	\$0	\$33,782	0	33,782	\$0	\$33,782
2019	\$6,335	\$33,782	0	40,117	\$0	\$40,117
2018	\$6,335	\$13,335	0	19,670	\$0	\$19,670
2017	\$6,335	\$13,335	0	19,670	\$0	\$19,670
2016	\$6,020	\$13,335	0	19,355	\$0	\$19,355
2015	\$6,020	\$13,335	0	19,355	\$0	\$19,355
2014	\$8,703	\$13,335	0	22,038	\$0	\$22,038
2013	\$21,064	\$13,335	0	34,399	\$0	\$34,399
2012	\$21,484	\$13,335	0	34,819	\$0	\$34,819
2011	\$21,905	\$13,335	0	35,240	\$0	\$35,240
2010	\$22,326	\$13,335	0	35,661	\$797	\$34,864
2009	\$22,991	\$13,335	0	36,326	\$2,971	\$33,355
2008	\$25,452	\$13,335	0	38,787	\$6,028	\$32,759

Deed History - (Last 3 Deed Transactions)


#	Deed	Type	Description	Grantor	Grantee	Volume	Page	Deed
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32

	Date					Number
1	8/26/2019	SHD	SHERIFF'S DEED	GUTIERREZ BEATRICE	CITY OF MERCEDES	3050763
2	9/14/1991	CONV	CONVERSION	PONCE PILAR	GUTIERREZ BEATRICE	
3		CONV	CONVERSION	KILGORE JESSE & NELLIE	PONCE PILAR	

Tax Due

Property Tax Information as of 03/07/2022

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
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NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.



Anaquitas Street

510 GARCIA AVE

654 ANAQUITAS ST

511 SILVER AVE

523 SILVER AVE

524 GARCIA AVE

T-09554-17-A

Silver Avenue

717 ANAQUITAS ST

516 SILVER AVE

536 SILVER AVE

536 SILVER AVE



03/16/2022 11:35

**NOTICE OF CONFIDENTIALITY RIGHT:
IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE
FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR
RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR
DRIVER'S LICENSE NUMBER.**

THE STATE OF TEXAS	§	
	§	RESALE DEED
COUNTY OF HIDALGO	§	

KNOW ALL MEN BY THESE PRESENTS that CITY OF MERCEDES, MERCEDES INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY DRAINAGE DISTRICT #01 and SOUTH TEXAS COLLEGE, acting by and through the presiding officer of its governing body, hereunto duly authorized by resolution and order of each respective governing body which is duly recorded in their official Minutes ("GRANTOR") as authorized by Section 34.05, Texas Property Tax Code, for and in consideration of the sum of \$10,073.00, in hand paid by CITY OF MERCEDES ("GRANTEE") the receipt of which is hereby acknowledged and confessed, has granted and conveyed and by these presents do grant and convey unto said grantee all right, title and interest of that CITY OF MERCEDES, MERCEDES INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY DRAINAGE DISTRICT #01 and SOUTH TEXAS COLLEGE, in the property herein conveyed, acquired by tax foreclosure sale heretofore held, in Cause No. T-090-07-B styled MERCEDES INDEPENDENT SCHOOL DISTRICT, CITY OF MERCEDES AND SOUTH TEXAS COLLEGE vs. BDS., INC., A TEXAS CORPORATION, ET AL, said property being described as:

ACCT. NO. V0575-02-000-0020-00; LOT 20, VALLE DE PALMAS SUBDIVISION, UNIT 2, AN ADDITION TO THE CITY OF MERCEDES, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF, RECORDED IN VOLUME 24, PAGE 147-B, MAP RECORDS OF HIDALGO COUNTY, TEXAS.

GRANTOR excludes and excepts from this conveyance any warranties, express or implied, on the property, including, without limitation, any warranties arising by common law or Section 5.023 of the Property Code.

GRANTOR conveys the property:

- (a). "as is", "with all faults" and without any warranty as to condition or environmental hazard,
- (b). subject to all restrictions, easements, rights-of-way leases, oil, gas and mineral leases, royalties, mineral conveyances, and mineral reservations of record, if any, in the office of the County Clerk of said County,
- (c). subject to any right of redemption; and
- (d). subject to rights of parties in possession.

GRANTOR disclaims any warranty, guaranty or representation, oral or written, on:

- (a). the nature and condition of the property or other items conveyed hereunder, without limitation, the water, soil and geology,

- (b). the suitability of the property conveyed hereunder for any and all activities and uses which GRANTEE may elect to conduct thereon,
- (c). the existence of any environmental hazards or conditions thereon, (including but not limited to the presence of asbestos or other hazardous materials),
- (d). compliance with applicable environmental laws, rules or regulations; and
- (e). the compliance of the property with any laws, ordinances, or regulations of any governmental entity or body.

By acceptance of this deed, GRANTEE acknowledges and agrees:

- (a). that GRANTOR acquired the property through foreclosure of a tax lien as Trustee and as such has little, if any, knowledge of the physical or economic characteristics of the property,
- (b). GRANTEE has inspected the property and is relying solely on its own investigation of the same and not on any information provided or to be provided by on behalf of GRANTOR,
- (c). that any information provided with respect to the property was obtained from a variety of sources,
- (d). GRANTOR (1) has not made any independent investigation or verification of such information; and (2) does not make any representations as to the accuracy or completeness of such information; and
- (e). that if there are any improvements on the property, GRANTOR shall not be responsible for or liable to GRANTEE for any construction defects, errors omissions, or any other conditions affecting the property.

GRANTEE or anyone claiming by, through or under GRANTEE, hereby fully releases GRANTOR, CITY OF MERCEDES, MERCEDES INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY DRAINAGE DISTRICT #01 and SOUTH TEXAS COLLEGE, and its respective employees, officers, directors, representatives, attorneys and agents (hereinafter "GRANTOR'S PARTIES") from any and all claims that it may now have or hereafter acquire against GRANTOR'S PARTIES for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to the conveyance of the premises herein as well as any construction defects, errors, omissions, or other conditions affecting the property and other items conveyed hereunder. GRANTEE further acknowledges and agrees that this release shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. This covenant releasing GRANTOR'S PARTIES shall be a covenant running with the property and shall be binding upon GRANTEE, its successors and assigns. GRANTOR hereby assigns without recourse or representation of any nature to GRANTEE, effective upon the execution and delivery hereof, any and all claims that GRANTOR may have for any such errors, omissions or defects in the property and other items conveyed hereunder. As a material covenant and condition of this conveyance, GRANTEE agrees that in the event of any such construction defects, errors, omissions or on account of any other conditions affecting the property, GRANTEE shall look solely to GRANTOR'S predecessors or to such contractors and consultants as may have contracted for work in connection with the property and other items conveyed hereunder for any redress or relief. Upon the assignment by GRANTOR of its claims, GRANTEE releases GRANTOR'S PARTIES of all right, express or implied, GRANTEE may have against GRANTOR arising out of or resulting from any errors, omissions or defects in the property and other items conveyed hereunder. GRANTEE further understands that some of GRANTOR'S predecessors in interest may be or become insolvent, bankrupt, judgment-proof or otherwise incapable of responding in damages and GRANTEE may have no remedy against such predecessors, contractors or consultants.

GRANTEE HEREBY FURTHER AGREES ON BEHALF OF ITSELF AND ITS SUCCESSORS AND ASSIGNS TO INDEMNIFY, PROTECT, DEFEND, SAVE AND HOLD HARMLESS GRANTOR'S PARTIES FROM AND AGAINST ANY AND ALL DEBTS, DUTIES, OBLIGATION, LIABILITIES, SUITS, CLAIMS, DEMANDS, CAUSE OF ACTION, DAMAGES, LOSSES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES AND COURT COSTS) IN ANY WAY RELATING TO, CONNECTED WITH OR ARISING OUT OF THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER OR THE OWNERSHIP, LEASING, USE, OPERATION, MAINTENANCE AND MANAGEMENT THEREOF FROM AND AFTER THE DATE HEREOF, INCLUDING, WITHOUT LIMITATION, THE COST OF ANY REMOVAL OF HAZARDOUS SUBSTANCES OR CONTAMINANTS FROM THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER.

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the CITY OF MERCEDES, its successors, beneficiaries, heirs and assigns forever, so that neither the CITY OF MERCEDES, MERCEDES INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT, HIDALGO COUNTY DRAINAGE DISTRICT #01 and SOUTH TEXAS COLLEGE, nor any person claiming under it shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

Taxes for post judgment years and for the current year are assumed by, and are to be paid by GRANTEE.

THIS SALE IS BEING CONDUCTED PURSUANT TO STATUTORY OR JUDICIAL REQUIREMENTS. BIDDERS BID ON THE RIGHTS, TITLE, AND INTERESTS, IF ANY, IN THE REAL PROPERTY OFFERED.

THE PROPERTY IS SOLD AS IS, WHERE IS, AND WITHOUT ANY WARRANTY, EITHER EXPRESS OR IMPLIED. NEITHER THE COUNTY NOR THE SHERIFF'S DEPARTMENT WARRANTS OR MAKES ANY REPRESENTATIONS ABOUT THE PROPERTY'S TITLE, CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. BUYERS ASSUME ALL RISKS.

IN SOME SITUATIONS, A LOT OF FIVE ACRES OR LESS IS PRESUMED TO BE INTENDED FOR RESIDENTIAL USE. HOWEVER, IF THE PROPERTY LACKS WATER OR WASTEWATER SERVICE, THE PROPERTY MAY NOT QUALIFY FOR RESIDENTIAL USE. A POTENTIAL BUYER WHO WOULD LIKE MORE INFORMATION SHOULD MAKE ADDITIONAL INQUIRIES OR CONSULT WITH PRIVATE COUNSEL.

ESTA VENTA SE LLEVARÁ A CABO DE CONFORMIDAD CON LOS REQUISITOS LEGALES O JUDICIALES. LOS POSTORES HARÁN UNA OFERTA POR EL TÍTULO, LOS DERECHOS E INTERESES, SI ALGUNO, EN LA PROPIEDAD OFRECIDA.

LA PROPIEDAD SE VENDE COMO ESTÁ, EN EL LUGAR DONDE SE ENCUENTRA, Y SIN NINGUNA GARANTÍA, YA SEA EXPRESA O IMPLÍCITA. NI EL CONDADO, NI LA OFICINA DEL ALGUACIL GARANTIZAN O HACEN NINGUNA REPRESENTACIÓN SOBRE EL TÍTULO DE LA PROPIEDAD, CONDICIÓN, HABITABILIDAD, COMERCIALIZACIÓN, O IDONEIDAD PARA UN PROPÓSITO PARTICULAR. LOS COMPRADORES ASUMEN TODOS LOS RIESGOS.

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IN TESTIMONY WHEREOF, the taxing authorities herein have caused these presents to be executed on _____.

CITY OF MERCEDES

Oscar D. Montoya Sr., Mayor

THE STATE OF TEXAS

§

§

COUNTY OF HIDALGO

§

ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Oscar D. Montoya Sr., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on _____.

NOTARY PUBLIC, in and for the
STATE OF TEXAS

My Commission Expires: _____

Grantee: CITY OF MERCEDES
400 S. OHIO AVE.
MERCEDES, TX 78570

AFTER RECORDING, RETURN TO:
PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.
P.O. BOX 2916
MCALLEN, TX 78502

**NOTICE OF CONFIDENTIALITY RIGHT:
IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE
FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR
RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR
DRIVER'S LICENSE NUMBER.**

THE STATE OF TEXAS	§	
	§	RESALE DEED
COUNTY OF HIDALGO	§	

KNOW ALL MEN BY THESE PRESENTS that CITY OF MERCEDES, HIDALGO COUNTY, HIDALGO COUNTY DRAINAGE DISTRICT #1, SOUTH TEXAS COLLEGE, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT and MERCEDES INDEPENDENT SCHOOL DISTRICT, acting by and through the presiding officer of its governing body, hereunto duly authorized by resolution and order of each respective governing body which is duly recorded in their official Minutes ("GRANTOR") as authorized by Section 34.05, Texas Property Tax Code, for and in consideration of the sum of \$33,782.00, in hand paid by CITY OF MERCEDES ("GRANTEE") the receipt of which is hereby acknowledged and confessed, has granted and conveyed and by these presents do grant and convey unto said grantee all right, title and interest of that CITY OF MERCEDES, HIDALGO COUNTY, HIDALGO COUNTY DRAINAGE DISTRICT #1, SOUTH TEXAS COLLEGE, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT and MERCEDES INDEPENDENT SCHOOL DISTRICT, in the property herein conveyed, acquired by tax foreclosure sale heretofore held, in Cause No. T-0954-17-A styled CITY OF MERCEDES vs. BEATRICE GUTIERREZ (DECEASED), said property being described as:

PROPERTY CODE: GEO: C700000007000800
DESCRIPTION: TRACT 1: LOT 8, BLOCK 7, COLONIA GARZA, AN ADDITION TO THE CITY OF MERCEDES, HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN THE OFFICE OF THE COUNTY CLERK OF HIDALGO COUNTY, TEXAS.

GRANTOR excludes and excepts from this conveyance any warranties, express or implied, on the property, including, without limitation, any warranties arising by common law or Section 5.023 of the Property Code.

GRANTOR conveys the property:

- (a). "as is", "with all faults" and without any warranty as to condition or environmental hazard,
- (b). subject to all restrictions, easements, rights-of-way leases, oil, gas and mineral leases, royalties, mineral conveyances, and mineral reservations of record, if any, in the office of the County Clerk of said County,
- (c). subject to any right of redemption; and
- (d). subject to rights of parties in possession.

GRANTOR disclaims any warranty, guaranty or representation, oral or written, on:

- (a). the nature and condition of the property or other items conveyed hereunder, without limitation, the water, soil and geology,

- (b). the suitability of the property conveyed hereunder for any and all activities and uses which GRANTEE may elect to conduct thereon,
- (c). the existence of any environmental hazards or conditions thereon, (including but not limited to the presence of asbestos or other hazardous materials),
- (d). compliance with applicable environmental laws, rules or regulations; and
- (e). the compliance of the property with any laws, ordinances, or regulations of any governmental entity or body.

By acceptance of this deed, GRANTEE acknowledges and agrees:

- (a). that GRANTOR acquired the property through foreclosure of a tax lien as Trustee and as such has little, if any, knowledge of the physical or economic characteristics of the property,
- (b). GRANTEE has inspected the property and is relying solely on its own investigation of the same and not on any information provided or to be provided by on behalf of GRANTOR,
- (c). that any information provided with respect to the property was obtained from a variety of sources,
- (d). GRANTOR (1) has not made any independent investigation or verification of such information; and (2) does not make any representations as to the accuracy or completeness of such information; and
- (e). that if there are any improvements on the property, GRANTOR shall not be responsible for or liable to GRANTEE for any construction defects, errors omissions, or any other conditions affecting the property.

GRANTEE or anyone claiming by, through or under GRANTEE, hereby fully releases GRANTOR, CITY OF MERCEDES, HIDALGO COUNTY, HIDALGO COUNTY DRAINAGE DISTRICT #1, SOUTH TEXAS COLLEGE, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT and MERCEDES INDEPENDENT SCHOOL DISTRICT, and its respective employees, officers, directors, representatives, attorneys and agents (hereinafter "GRANTOR'S PARTIES") from any and all claims that it may now have or hereafter acquire against GRANTOR'S PARTIES for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to the conveyance of the premises herein as well as any construction defects, errors, omissions, or other conditions affecting the property and other items conveyed hereunder. GRANTEE further acknowledges and agrees that this release shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. This covenant releasing GRANTOR'S PARTIES shall be a covenant running with the property and shall be binding upon GRANTEE, its successors and assigns. GRANTOR hereby assigns without recourse or representation of any nature to GRANTEE, effective upon the execution and delivery hereof, any and all claims that GRANTOR may have for any such errors, omissions or defects in the property and other items conveyed hereunder. As a material covenant and condition of this conveyance, GRANTEE agrees that in the event of any such construction defects, errors, omissions or on account of any other conditions affecting the property, GRANTEE shall look solely to GRANTOR'S predecessors or to such contractors and consultants as may have contracted for work in connection with the property and other items conveyed hereunder for any redress or relief. Upon the assignment by GRANTOR of its claims, GRANTEE releases GRANTOR'S PARTIES of all right, express or implied, GRANTEE may have against GRANTOR arising out of or resulting from any errors, omissions or defects in the property and other items conveyed hereunder. GRANTEE further understands that some of GRANTOR'S predecessors in interest may be or become insolvent, bankrupt, judgment-proof or otherwise incapable of responding in damages and GRANTEE may have no remedy against such predecessors, contractors or consultants.

GRANTEE HEREBY FURTHER AGREES ON BEHALF OF ITSELF AND ITS SUCCESSORS AND ASSIGNS TO INDEMNIFY, PROTECT, DEFEND, SAVE AND HOLD HARMLESS GRANTOR'S PARTIES FROM AND AGAINST ANY AND ALL DEBTS, DUTIES, OBLIGATION, LIABILITIES, SUITS, CLAIMS, DEMANDS, CAUSE OF ACTION, DAMAGES, LOSSES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND EXPENSES AND COURT COSTS) IN ANY WAY RELATING TO, CONNECTED WITH OR ARISING OUT OF THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER OR THE OWNERSHIP, LEASING, USE, OPERATION, MAINTENANCE AND MANAGEMENT THEREOF FROM AND AFTER THE DATE HEREOF, INCLUDING, WITHOUT LIMITATION, THE COST OF ANY REMOVAL OF HAZARDOUS SUBSTANCES OR CONTAMINANTS FROM THE PROPERTY AND OTHER ITEMS CONVEYED HEREUNDER.

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the CITY OF MERCEDES, its successors, beneficiaries, heirs and assigns forever, so that neither the CITY OF MERCEDES, HIDALGO COUNTY, HIDALGO COUNTY DRAINAGE DISTRICT #1, SOUTH TEXAS COLLEGE, SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT and MERCEDES INDEPENDENT SCHOOL DISTRICT, nor any person claiming under it shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

Taxes for post judgment years and for the current year are assumed by, and are to be paid by GRANTEE.

THIS SALE IS BEING CONDUCTED PURSUANT TO STATUTORY OR JUDICIAL REQUIREMENTS. BIDDERS BID ON THE RIGHTS, TITLE, AND INTERESTS, IF ANY, IN THE REAL PROPERTY OFFERED.

THE PROPERTY IS SOLD AS IS, WHERE IS, AND WITHOUT ANY WARRANTY, EITHER EXPRESS OR IMPLIED. NEITHER THE COUNTY NOR THE SHERIFF'S DEPARTMENT WARRANTS OR MAKES ANY REPRESENTATIONS ABOUT THE PROPERTY'S TITLE, CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. BUYERS ASSUME ALL RISKS.

IN SOME SITUATIONS, A LOT OF FIVE ACRES OR LESS IS PRESUMED TO BE INTENDED FOR RESIDENTIAL USE. HOWEVER, IF THE PROPERTY LACKS WATER OR WASTEWATER SERVICE, THE PROPERTY MAY NOT QUALIFY FOR RESIDENTIAL USE. A POTENTIAL BUYER WHO WOULD LIKE MORE INFORMATION SHOULD MAKE ADDITIONAL INQUIRIES OR CONSULT WITH PRIVATE COUNSEL.

ESTA VENTA SE LLEVARÁ A CABO DE CONFORMIDAD CON LOS REQUISITOS LEGALES O JUDICIALES. LOS POSTORES HARÁN UNA OFERTA POR EL TÍTULO, LOS DERECHOS E INTERESES, SI ALGUNO, EN LA PROPIEDAD OFRECIDA.

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IN TESTIMONY WHEREOF, the taxing authorities herein have caused these presents to be executed on _____.

CITY OF MERCEDES

Oscar D. Montoya Sr., Mayor

THE STATE OF TEXAS

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COUNTY OF HIDALGO

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ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared, Oscar D. Montoya Sr., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on _____.

NOTARY PUBLIC, in and for the
STATE OF TEXAS
My Commission Expires: _____

Grantee: CITY OF MERCEDES
400 S. OHIO AVE.
MERCEDES, TX 78570

AFTER RECORDING, RETURN TO:
PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.
P.O. BOX 2916
MCALLEN, TX 78502

Ordinance/Resolutions

DATE: June 7, 2022

FROM: City Manager

ITEM: Discussion and possible action on Ordinance # 2022-08 to direct the City Manager to implement the recommended water rate schedule based on recommendations from Water Rate Study.

BACKGROUND INFORMATION:

The Water Rate Study is addressing multiple financial responsibilities for which the Utilities fund is responsible.

1. The Utilities has to repay the General Fund approximately 2,010,000. This is for past Utility fund shortages the General Fund has absorbed.
2. The Utilities has to be able to pay proposed utility fund debt service.
3. Utilities has to restore the cash fund balance.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Martie Garcia-Vela

ATTACHMENTS: N/A

DRAFT MOTION: Move to authorize the City Manager to implement recommended water rate study rates.

ORDINANCE NO. 2022-08

AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS (CITY) AMENDING ORDINANCE NO. 2021-13; ADOPTING NEW UTILITY RATES FOR WATER AND SEWER; IMPLEMENTING A METER-SIZE BASED MINIMUM CHARGE STRUCTURE FOR WATER SERVICE; INCREASING MINIMUM CHARGES AND VOLUMETRIC RATES EACH YEAR FROM JULY 2022 THROUGH OCTOBER 2026 AT THE LEVELS INDICATED IN THE RATE TABLES PROVIDED WITHIN THIS ORDINANCE, SAID RATE INCREASES TO AUTOMATICALLY GO INTO EFFECT ON JULY 1, 2022 AND FOR EACH SUBSEQUENT YEAR THEREAFTER THROUGH OCTOBER 2026 UNLESS THE CITY TAKES ACTION TO REVISE THIS ORDINANCE; AUTHORIZING THE MAYOR TO ORDER THE IMPLEMENTATION OF THE AMENDED RATE SCHEDULE WITHIN THE CITY'S SERVICE AREA; DECLARING A PUBLIC PURPOSE; PROVIDING A REPEALER; PROVIDING FOR SEVERABILITY; AND SETTING AN EFFECTIVE DATE

* * * * * * *

WHEREAS, the City of Mercedes wishes to amend its utility rate schedule as approved and implemented by Ordinance No. 2021-13; and

WHEREAS, the governing body of the City has determined the rates for providing municipal utility services requires adjustment in order to reflect its actual costs and to assure the City's continued financial ability to provide these services; and

WHEREAS, the water and wastewater systems continue to grow at increased levels each year and the expansion, rehabilitation and improvement needs of existing infrastructure is critical; and;

WHEREAS, funding the water and wastewater system's capital expansion and improvement plans will require the issuance of revenue and other bonds, the repayment of which will come primarily from the revenues generated by the respective system's user fees and charges; now

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

SECTION 1. AUTHORIZATION The utility rate schedule attached as Exhibit "A" (Exhibit) hereto is adopted and approved by the City Commission. The Mayor is authorized to order the implementation of the amended rate schedule within the City of Mercedes service area as set forth in the Exhibit. Said Exhibit is approved and incorporated herein for all purposes as if fully copied and set forth at length.

SECTION 2. INCORPORATION OF RECITALS The City Commission finds the recitals contained in the preamble to this ordinance are true and correct and incorporates them as findings of fact.

SECTION 3. REPEALER. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Commission hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared void; and that in lieu of each clause or provision of this Ordinance that is invalid, illegal, or unenforceable there be added by the Mayor as necessary with the approval of the City Attorney as to form, and as a part of the Ordinance a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

SECTION 5. EFFECTIVE DATE. The Ordinance shall be effective immediately upon the approval of the City Commission.

READ, DISCUSSED, AND APPROVED ON THIS 21ST DAY OF JUNE, IN THE YEAR OF OUR LORD, 2022

1st Reading: June 7, 2022

2nd Reading: June 21, 2022

Approved as to Form: _____
City Attorney Oscar D. Montoya, Sr. Mayor

Attest:

Joselynn Castillo, City Secretary

Exhibit “A”

WATER

(a) *Premises connected with water system.* Charges shall be paid by all persons owning or occupying premises which are connected with the water system in accordance with the following schedule of rates; and such charges as are hereinafter described are hereby levied and assessed, as hereinafter provided:

(1) For each defined Customer Class, monthly water rates and charges shall be based on metered water consumption as described on the following tables scheduled for annual adjustments beginning on July 1, 2022 and every year thereafter through October 2026.

Meter Sized Based Minimum Monthly Water Charges and Volumetric Rates for Monthly Metered Consumption Greater:

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Residential ICL								
<u>Min. Charge - 0 Gallons</u>								
5/8" & 3/4" Meter Sched 1			\$23.48	\$24.35	\$25.22	\$26.08	\$26.95	\$27.82
1" Meter			\$23.48	\$26.20	\$28.91	\$31.63	\$34.34	\$37.06
1 1/2" Meter			\$23.48	\$29.31	\$35.14	\$40.96	\$46.79	\$52.62
2" Meter			\$23.48	\$34.80	\$46.12	\$57.45	\$68.77	\$80.09
<u>Consumption Charge - K Gal</u>								
Consumption Charge - K Gal	1	1,000	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Consumption Charge - K Gal	1,001	3,000	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Consumption Charge - K Gal	3,001	4,999	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Additional Minimum Charge	5,000	5,001	\$5.41	\$4.33	\$3.25	\$2.16	\$1.08	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.20	\$2.29	\$2.33	\$2.38	\$2.43	\$2.48
Additional Minimum Charge	10,000	10,001	\$2.50	\$2.00	\$1.50	\$1.00	\$0.50	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.34	\$2.43	\$2.48	\$2.53	\$2.58	\$2.63
Additional Minimum Charge	15,000	15,001	\$3.26	\$2.61	\$1.96	\$1.30	\$0.65	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.45	\$2.55	\$2.60	\$2.65	\$2.70	\$2.76
Additional Minimum Charge	20,000	20,001	\$3.90	\$3.12	\$2.34	\$1.56	\$0.78	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.53	\$2.63	\$2.68	\$2.74	\$2.79	\$2.85
Consumption Charge - K Gal	25,000	25,001	\$2.64	\$2.75	\$2.80	\$2.86	\$2.91	\$2.97
Consumption Charge - K Gal	25,002	29,999	\$2.64	\$2.75	\$2.80	\$2.86	\$2.91	\$2.97
Consumption Charge - K Gal	30,000	30,001	\$2.78	\$2.89	\$2.95	\$3.01	\$3.07	\$3.13
Consumption Charge - K Gal	30,002	Greater	\$2.78	\$2.89	\$2.95	\$3.01	\$3.07	\$3.13

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Residential OCL								
Min. Charge - 0 Gallons								
5/8" & 3/4" Meter Sched 3			\$27.01	\$28.01	\$29.00	\$30.00	\$31.00	\$31.99
1" Meter			\$27.01	\$30.13	\$33.25	\$36.38	\$39.50	\$42.62
1 1/2" Meter			\$27.01	\$33.71	\$40.41	\$47.11	\$53.81	\$60.51
2" Meter			\$27.01	\$40.03	\$53.05	\$66.07	\$79.08	\$92.10
Consumption Charge - K Gal								
Consumption Charge - K Gal	1	1,000	\$2.38	\$2.48	\$2.52	\$2.58	\$2.63	\$2.68
Consumption Charge - K Gal	1,001	3,000	\$2.38	\$2.48	\$2.52	\$2.58	\$2.63	\$2.68
Consumption Charge - K Gal	3,001	4,999	\$2.38	\$2.48	\$2.52	\$2.58	\$2.63	\$2.68
Additional Minimum Charge	5,000	5,001	\$6.22	\$4.98	\$2.99	\$1.19	\$0.24	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.53	\$2.63	\$2.68	\$2.74	\$2.79	\$2.85
Additional Minimum Charge	10,000	10,001	\$2.87	\$2.30	\$1.38	\$0.55	\$0.11	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.69	\$2.80	\$2.85	\$2.91	\$2.97	\$3.03
Additional Minimum Charge	15,000	15,001	\$3.74	\$2.99	\$1.80	\$0.72	\$0.14	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.82	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17
Additional Minimum Charge	20,000	20,001	\$4.49	\$3.59	\$2.16	\$0.86	\$0.17	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.91	\$3.03	\$3.09	\$3.15	\$3.21	\$3.28
Consumption Charge - K Gal	25,000	25,001	\$3.04	\$3.16	\$3.22	\$3.29	\$3.36	\$3.42
Consumption Charge - K Gal	25,002	29,999	\$3.20	\$3.33	\$3.39	\$3.46	\$3.53	\$3.60
Consumption Charge - K Gal	30,000	30,001	\$3.20	\$3.33	\$3.39	\$3.46	\$3.53	\$3.60
Consumption Charge - K Gal	30,002	Greater	\$3.20	\$3.33	\$3.39	\$3.46	\$3.53	\$3.60

***Meters larger than 2 inches shall be assessed Multi-Family / Small Business Rates.**

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Mult Fam / Small Bus ICL								
<u>Min. Charge - 0 Gallons</u>								
5/8" & 3/4" Meter Sched MFI + U			\$31.33	\$36.25	\$44.12	\$47.07	\$49.03	\$51.00
1" Meter			\$31.33	\$37.75	\$48.02	\$51.87	\$54.43	\$57.00
1 1/2" Meter			\$31.33	\$39.25	\$51.92	\$56.67	\$59.83	\$63.00
2" Meter			\$31.33	\$46.00	\$69.47	\$78.27	\$84.13	\$90.00
3" Meter			\$31.33	\$59.75	\$105.22	\$122.27	\$133.63	\$145.00
4" Meter			\$31.33	\$81.00	\$160.47	\$190.27	\$210.13	\$230.00
6" Meter			\$31.33	\$132.25	\$293.72	\$354.27	\$394.63	\$435.00
8" Meter			\$31.33	\$207.25	\$488.72	\$594.27	\$664.63	\$735.00
<u>Consumption Charge - K Gal</u>								
Consumption Charge - K Gal	1	1,000	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Consumption Charge - K Gal	1,001	3,000	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Consumption Charge - K Gal	3,001	4,999	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Additional Minimum Charge	5,000	5,001	\$4.82	\$3.86	\$2.31	\$0.93	\$0.19	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.20	\$2.44	\$2.69	\$2.95	\$3.22	\$3.45
Additional Minimum Charge	10,000	10,001	\$4.82	\$3.86	\$2.31	\$0.93	\$0.19	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.34	\$2.60	\$2.86	\$3.14	\$3.43	\$3.67
Additional Minimum Charge	15,000	15,001	\$4.81	\$3.85	\$2.31	\$0.92	\$0.18	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.45	\$2.72	\$2.99	\$3.29	\$3.59	\$3.84
Additional Minimum Charge	20,000	20,001	\$4.82	\$3.86	\$2.31	\$0.93	\$0.19	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.53	\$2.81	\$3.09	\$3.40	\$3.70	\$3.96
Additional Minimum Charge	25,000	25,001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Consumption Charge - K Gal	25,002	29,999	\$2.64	\$2.93	\$3.22	\$3.55	\$3.86	\$4.14
Additional Minimum Charge	30,000	30,001	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Consumption Charge - K Gal	30,002	Greater	\$2.78	\$3.09	\$3.39	\$3.73	\$4.07	\$4.35

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Mult Fam / Small Bus OCL								
<u>Min. Charge - 0 Gallons</u>								
5/8" & 3/4" Meter Sched MFO + U			\$36.03	\$41.69	\$50.73	\$54.13	\$56.39	\$58.65
1" Meter			\$36.03	\$43.41	\$55.22	\$59.65	\$62.60	\$65.55
1 1/2" Meter			\$36.03	\$45.14	\$59.70	\$65.17	\$68.81	\$72.45
2" Meter			\$36.03	\$52.90	\$79.89	\$90.01	\$96.75	\$103.50
3" Meter			\$36.03	\$68.71	\$121.00	\$140.61	\$153.68	\$166.75
4" Meter			\$36.03	\$93.15	\$184.54	\$218.81	\$241.65	\$264.50
6" Meter			\$36.03	\$152.09	\$337.77	\$407.41	\$453.83	\$500.25
8" Meter			\$36.03	\$238.34	\$562.02	\$683.41	\$764.33	\$845.25
<u>Consumption Charge - K Gal</u>								
Consumption Charge - K Gal	1	1,000	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Consumption Charge - K Gal	1,001	3,000	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Consumption Charge - K Gal	3,001	4,999	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Additional Minimum Charge	5,000	5,001	\$5.54	\$4.43	\$2.66	\$1.06	\$0.21	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.53	\$2.81	\$3.09	\$3.40	\$3.70	\$3.96
Additional Minimum Charge	10,000	10,001	\$5.53	\$4.42	\$2.65	\$1.06	\$0.21	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.69	\$2.99	\$3.29	\$3.61	\$3.94	\$4.22
Additional Minimum Charge	15,000	15,001	\$5.54	\$4.43	\$2.66	\$1.06	\$0.21	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.82	\$3.13	\$3.44	\$3.78	\$4.12	\$4.41
Additional Minimum Charge	20,000	20,001	\$5.54	\$4.43	\$2.66	\$1.06	\$0.21	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.91	\$3.23	\$3.55	\$3.91	\$4.26	\$4.56
Additional Minimum Charge	25,000	25,001	\$3.04	\$3.37	\$3.71	\$4.08	\$4.44	\$4.76
Consumption Charge - K Gal	25,002	29,999	\$3.04	\$3.37	\$3.71	\$4.08	\$4.44	\$4.76
Additional Minimum Charge	30,000	30,001	\$3.20	\$3.55	\$3.90	\$4.29	\$4.68	\$5.01
Consumption Charge - K Gal	30,002	Greater	\$3.20	\$3.55	\$3.90	\$4.29	\$4.68	\$5.01

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Commercial ICL								
Min. Charge - 0 Gallons								
5/8" & 3/4" Meter Sched 9			\$43.36	\$45.27	\$48.33	\$49.47	\$50.24	\$51.00
3/4" Meter			\$43.36	\$45.27	\$48.33	\$49.47	\$50.24	\$51.00
1" Meter			\$43.36	\$46.77	\$52.23	\$54.27	\$55.64	\$57.00
1 1/2" Meter			\$43.36	\$48.27	\$56.13	\$59.07	\$61.04	\$63.00
2" Meter			\$43.36	\$55.02	\$73.68	\$80.67	\$85.34	\$90.00
3" Meter			\$43.36	\$68.77	\$109.43	\$124.67	\$134.84	\$145.00
4" Meter			\$43.36	\$90.02	\$164.68	\$192.67	\$211.34	\$230.00
6" Meter			\$43.36	\$141.27	\$297.93	\$356.67	\$395.84	\$435.00
8" Meter			\$43.36	\$216.27	\$492.93	\$596.67	\$665.84	\$735.00
Consumption Charge - K Gal								
Consumption Charge - K Gal	1	1,000	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Consumption Charge - K Gal	1,001	3,000	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Consumption Charge - K Gal	3,001	4,999	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24
Additional Minimum Charge	5,000	5,001	\$12.07	\$9.66	\$5.79	\$2.32	\$0.46	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.20	\$2.44	\$2.69	\$2.95	\$3.22	\$3.45
Additional Minimum Charge	10,000	10,001	\$9.63	\$7.70	\$4.62	\$1.85	\$0.37	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.34	\$2.60	\$2.86	\$3.14	\$3.43	\$3.67
Additional Minimum Charge	15,000	15,001	\$9.63	\$7.70	\$4.62	\$1.85	\$0.37	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.45	\$2.72	\$2.99	\$3.29	\$3.59	\$3.84
Additional Minimum Charge	20,000	20,001	\$9.61	\$7.69	\$4.61	\$1.85	\$0.37	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.53	\$2.81	\$3.09	\$3.40	\$3.70	\$3.96
Additional Minimum Charge	25,000	25,001	\$9.63	\$7.70	\$4.62	\$1.85	\$0.37	\$0.00
Consumption Charge - K Gal	25,002	29,999	\$2.64	\$2.93	\$3.22	\$3.55	\$3.86	\$4.14
Additional Minimum Charge	30,000	30,001	\$9.62	\$7.70	\$4.62	\$1.85	\$0.37	\$0.00
Consumption Charge - K Gal	30,002	Greater	\$2.78	\$3.09	\$3.39	\$3.73	\$4.07	\$4.35

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Commercial OCL								
Min. Charge - 0 Gallons								
5/8" Meter Sched 6			\$49.87	\$52.07	\$55.58	\$56.89	\$57.77	\$58.65
1" Meter			\$49.87	\$53.79	\$60.06	\$62.41	\$63.98	\$65.55
1 1/2" Meter			\$49.87	\$55.52	\$64.55	\$67.93	\$70.19	\$72.45
2" Meter			\$49.87	\$63.28	\$84.73	\$92.77	\$98.14	\$103.50
3" Meter			\$49.87	\$79.09	\$125.84	\$143.37	\$155.06	\$166.75
4" Meter			\$49.87	\$103.53	\$189.38	\$221.57	\$243.04	\$264.50
6" Meter			\$49.87	\$162.47	\$342.62	\$410.17	\$455.21	\$500.25
8" Meter			\$49.87	\$248.72	\$566.87	\$686.17	\$765.71	\$845.25
Consumption Charge - K Gal								
Consumption Charge - K Gal	1	1,000	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Consumption Charge - K Gal	1,001	3,000	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Consumption Charge - K Gal	3,001	4,999	\$2.38	\$2.64	\$2.91	\$3.20	\$3.49	\$3.73
Additional Minimum Charge	5,000	5,001	\$13.87	\$11.10	\$6.66	\$2.66	\$0.53	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.53	\$2.81	\$3.09	\$3.40	\$3.70	\$3.96
Additional Minimum Charge	10,000	10,001	\$11.08	\$8.86	\$5.32	\$2.13	\$0.43	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.69	\$2.99	\$3.29	\$3.61	\$3.94	\$4.22
Additional Minimum Charge	15,000	15,001	\$11.07	\$8.86	\$5.31	\$2.13	\$0.43	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.82	\$3.13	\$3.44	\$3.78	\$4.12	\$4.41
Additional Minimum Charge	20,000	20,001	\$11.06	\$8.85	\$5.31	\$2.12	\$0.42	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.91	\$3.23	\$3.55	\$3.91	\$4.26	\$4.56
Additional Minimum Charge	25,000	25,001	\$11.08	\$8.86	\$5.32	\$2.13	\$0.43	\$0.00
Consumption Charge - K Gal	25,002	29,999	\$3.04	\$3.37	\$3.71	\$4.08	\$4.44	\$4.76
Additional Minimum Charge	30,000	30,001	\$11.06	\$8.85	\$5.31	\$2.12	\$0.42	\$0.00
Consumption Charge - K Gal	30,002	Greater	\$3.20	\$3.55	\$3.90	\$4.29	\$4.68	\$5.01

CITY OF MERCEDES, TEXAS
PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Senior ICL								
Min. Charge - 0 Gallons								
5/8" & 3/4" Meter Sched 15			\$15.95	\$16.54	\$17.13	\$17.72	\$18.31	\$18.90
Consumption Charge - K Gal								
Consumption Charge - K Gal	1	1,000	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Consumption Charge - K Gal	1,001	3,000	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Consumption Charge - K Gal	3,001	4,999	\$2.07	\$2.15	\$2.20	\$2.24	\$2.28	\$2.33
Additional Minimum Charge	5,000	5,001	\$5.41	\$4.33	\$2.60	\$1.04	\$0.21	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.20	\$2.29	\$2.33	\$2.38	\$2.43	\$2.48
Additional Minimum Charge	10,000	10,001	\$2.50	\$2.00	\$1.20	\$0.48	\$0.10	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.34	\$2.43	\$2.48	\$2.53	\$2.58	\$2.63
Additional Minimum Charge	15,000	15,001	\$3.26	\$2.61	\$1.56	\$0.63	\$0.13	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.45	\$2.55	\$2.60	\$2.65	\$2.70	\$2.76
Additional Minimum Charge	20,000	20,001	\$3.90	\$3.12	\$1.87	\$0.75	\$0.15	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.53	\$2.63	\$2.68	\$2.74	\$2.79	\$2.85
Consumption Charge - K Gal	25,002	29,999	\$2.64	\$2.75	\$2.80	\$2.86	\$2.91	\$2.97
Consumption Charge - K Gal	30,002	Greater	\$2.78	\$2.89	\$2.95	\$3.01	\$3.07	\$3.13

CITY OF MERCEDES, TEXAS

PROPOSED WATER RATES:

			Effective:					
			Current	7/1/22	10/1/23	10/1/24	10/1/25	10/1/26
Senior OCL								
<u>Min. Charge - 0 Gallons</u>								
5/8" & 3/4" Meter Sched OCS			\$19.48	\$19.93	\$20.38	\$20.83	\$21.28	\$21.73
<u>Consumption Charge - K Gal</u>								
Consumption Charge - K Gal	1	1,000	\$2.38	\$2.48	\$2.53	\$2.58	\$2.63	\$2.68
Consumption Charge - K Gal	1,001	3,000	\$2.38	\$2.48	\$2.53	\$2.58	\$2.63	\$2.68
Consumption Charge - K Gal	3,001	4,999	\$2.38	\$2.48	\$2.53	\$2.58	\$2.63	\$2.68
Additional Minimum Charge	5,000	5,001	\$6.22	\$4.98	\$2.99	\$1.19	\$0.24	\$0.00
Consumption Charge - K Gal	5,002	9,999	\$2.53	\$2.63	\$2.68	\$2.74	\$2.79	\$2.85
Additional Minimum Charge	10,000	10,001	\$2.87	\$2.30	\$1.38	\$0.55	\$0.11	\$0.00
Consumption Charge - K Gal	10,002	14,999	\$2.69	\$2.80	\$2.85	\$2.91	\$2.97	\$3.03
Additional Minimum Charge	15,000	15,001	\$3.72	\$2.98	\$1.79	\$0.71	\$0.14	\$0.00
Consumption Charge - K Gal	15,002	19,999	\$2.82	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17
Additional Minimum Charge	20,000	20,001	\$4.51	\$3.61	\$2.16	\$0.87	\$0.17	\$0.00
Consumption Charge - K Gal	20,002	24,999	\$2.91	\$3.03	\$3.09	\$3.15	\$3.21	\$3.28
Consumption Charge - K Gal	25,002	29,999	\$3.04	\$3.16	\$3.22	\$3.29	\$3.35	\$3.42
Consumption Charge - K Gal	30,002	Greater	\$3.20	\$3.32	\$3.39	\$3.46	\$3.53	\$3.60

***Meters larger than 3/4 inches shall be assessed the corresponding regular non-senior rate.**

WASTEWATER

Minimum Monthly Wastewater Charges and Volumetric Rates based on Monthly Metered Water Consumption

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Residential ICL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$29.46	\$30.57	\$31.68	\$32.78	\$33.89	\$35.00
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.23	\$1.28	\$1.30	\$1.33	\$1.36	\$1.38

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Residential OCL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$33.88	\$35.15	\$36.43	\$37.70	\$38.98	\$40.25
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.41	\$1.47	\$1.50	\$1.53	\$1.56	\$1.59

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Mult Fam / Small Bus ICL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$45.31	\$50.25	\$55.19	\$60.12	\$65.06	\$70.00
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.23	\$1.37	\$1.50	\$1.65	\$1.80	\$1.93

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Mult Fam / Small Bus OCL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$52.12	\$57.80	\$63.47	\$69.15	\$74.82	\$80.50
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.41	\$1.57	\$1.73	\$1.90	\$2.07	\$2.22

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Commercial ICL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$67.99	\$68.39	\$68.79	\$69.20	\$69.60	\$70.00
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.56	\$1.63	\$1.70	\$1.78	\$1.85	\$1.93

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Commercial OCL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$78.19	\$78.65	\$79.11	\$79.58	\$80.04	\$80.50
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.79	\$1.87	\$1.95	\$2.04	\$2.13	\$2.22

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Senior ICL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$22.38	\$23.22	\$24.06	\$24.91	\$25.75	\$26.59
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.23	\$1.28	\$1.30	\$1.33	\$1.36	\$1.38

CITY OF MERCEDES, TEXAS						
PROPOSED WASTEWATER RATE STRUCTURE						
	Current	Effective: 7/1/22	Effective: 10/1/23	10/1/24	10/1/25	10/1/26
Senior OCL						
<u>Min. Charge - 0 Gallons</u>						
All Meter Sizes	\$26.79	\$27.55	\$28.30	\$29.06	\$29.82	\$30.58
<u>Consumption Charge - K Gal</u>						
1 Greater	\$1.41	\$1.47	\$1.50	\$1.53	\$1.56	\$1.59

City of Mercedes, Texas

Water and Wastewater Rate Study and Long-Term Financial Plan

Presented

May 27, 2022

Capex Consulting Group

Email: jsnowden@capexconsulting.com

Web site: www.capexconsulting.com



Study Objectives

- **Review operating history, debt obligations, and prepare forecasts**
 - Review billing system data and identify issues
 - Evaluate existing debt
- **Evaluate current rate structure**
 - Does each customer class contribute an equitable share of revenue based on demand?
 - Are revenues generated at appropriate levels of consumption for each customer class
 - Do rates generate revenue sufficient to pay current and forecast operating and capital costs?
- **Develop and assist with implementation of an improved rate structure**
 - Eliminate cross customer-class subsidies
 - Reduce revenue declines related to weather events
 - Compare current & recommended rates to relevant peer group
 - Provide multi-year rate restructuring option
 - Generate revenue sufficient to fund operating and capital costs in a variety of consumption scenarios

History of Account Growth – Water & Wastewater

CITY OF MERCEDES, TEXAS

Accounts by Customer Class

	ANNUAL AVERAGE								
	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	Avg Annual Growth Rate 2017-21	Avg New Accts per Annum
Water									
Residential ICL	2,412	2,704	2,766	2,750	2,764	2,834	2,856	1.2%	32
Residential OCL	410	429	446	466	467	478	480	2.7%	12
Mult Fam / Small Bus ICL	204	206	203	199	198	199	196	-0.9%	-2
Mult Fam / Small Bus OCL	4	3	4	5	6	7	7	23.6%	1
Commercial ICL	319	322	335	370	402	402	411	5.7%	20
Commercial OCL	2	2	3	3	4	4	5	20.7%	1
Senior ICL	1,043	800	792	837	859	860	856	1.8%	15
Senior OCL	33	26	31	39	43	44	46	14.1%	5
Senior MF	11	6	5	6	6	6	6	1.1%	0
MFU	0	0	1	1	5	1	1		0
La Herencia Subd	8	8	8	8	7	7	7	-3.3%	0
Total Water	4,447	4,507	4,593	4,684	4,760	4,842	4,870	1.8%	84
Annual Rate of Increase		1.3%	1.9%	2.0%	1.6%	1.7%	0.6%		
Wastewater									
Residential ICL	2,243	2,533	2,589	2,580	2,610	2,696	2,726	1.6%	41
Residential OCL	374	396	411	434	435	448	446	3.1%	13
Mult Fam / Small Bus ICL	194	195	190	186	184	188	186	-1.0%	-2
Mult Fam / Small Bus OCL	4	3	4	5	6	7	7	23.6%	1
Commercial ICL	148	154	165	178	191	187	191	5.0%	8
Commercial OCL	2	2	3	3	3	4	4	14.5%	0
Senior ICL	1,035	792	777	820	847	851	846	1.8%	15
Senior OCL	30	22	25	31	34	35	38	12.7%	3
Senior MF	2	1	1	1	1	1	2	-5.4%	0
Governmental	19	18	15	15	15	15	15	-4.5%	-1
Medical	8	7	7	8	8	8	8	3.7%	0
MFU	1	1	1	1	2	1	1	0.0%	0
Schools	38	38	38	39	38	38	38	0.1%	0
Total Wastewater	4,098	4,162	4,226	4,300	4,374	4,478	4,507	1.8%	79
Annual Rate of Increase		1.6%	1.5%	1.7%	1.7%	2.4%	0.6%		
SYSTEM TOTAL	8,544	8,669	8,820	8,984	9,134	9,320	9,377	1.8%	163
Annual Rate of Increase		1.5%	1.7%	1.9%	1.7%	2.0%	0.6%		

Notes on Forecast Account Growth

1. Water and wastewater accounts forecast to grow at 1.8% per annum through 2030, slightly lower than TWDB forecast of 2.18%
2. 124 new sewer accounts scheduled to come on-line in FYE 2024 from the Capisallo Terrace project.
3. 340 new water and sewer accounts scheduled to come on-line in FYE 2025 per filed subdivision requests

Treated and Metered Water Flows and Wastewater Treated

CITY OF MERCEDES, TEXAS						
WATER & WASTEWATER SYSTEM FLOWS						
	Total Raw Water Treated	Metered Water Consumpt - MG	Percent of Treated Water Sold	Influent to WWTP(s) - MG	Percent of Metered Water Discharged to WWTP(s)	
FYE 2017	587.2	653.2	111%	398.2	61%	
FYE 2018	573.2	605.9	106%	582.6	96%	
FYE 2019	546.4	592.3	108%	587.6	99%	
FYE 2020	605.6	598.0	99%	611.0	102%	
FYE 2021	169.1	579.4	343%	638.6	110%	
FYE 2022	54.8	184.1	336%	48.7	26%	

Revenue and Expense History

CITY OF MERCEDES, TEXAS									
UTILITY COST OF SERVICE AND RATE DESIGN STUDY									
SUMMARY OF REVENUES & EXPENDITURES									
COMBINED UTILITY RATE & NON RATE REVENUES									
		FYE 19 Budget - Actual	FYE 20 Budget - Actual	FYE 21 Budget - Actual	FYE 22 - Proposed				
OPERATING REVENUE									
Water Sales		\$2,369,346	\$2,636,299	\$2,550,000	\$3,096,497			9.3%	
Wastewater Sales		\$1,725,416	\$2,160,577	\$1,830,000	\$2,353,621			10.9%	
Sewer Sales North		\$0	\$19,674	\$230,000	\$0				
Total Service Revenues		\$4,094,762	\$4,816,550	\$4,610,000	\$5,450,118			10.0%	
Total Other Charges for Services		\$4,726,120	\$108,890	\$97,000	\$135,500			-69.4%	
Total Operating Revenues		\$8,820,882	\$4,925,440	\$4,707,000	\$5,585,618			-14.1%	
OPERATING EXPENSES									
IT UTILITIES ADMINISTRATION		\$77,192	\$63,198	\$53,370	\$61,500			-7.3%	
UTILITY BILLING		\$138,656	\$168,709	\$147,262	\$120,192			-4.7%	
METER READERS		\$79,139	\$115,664	\$122,852	\$143,398			21.9%	
WATER / SEWER FIELD CREW		\$614,348	\$701,649	\$706,662	\$976,124			16.7%	
WATER / SEWER TREATMENT		\$2,357,495	\$2,875,846	\$2,412,101	\$2,818,601			6.1%	
NON DEPARTMENTAL		\$1,698,619	\$1,681,900	\$1,086,856	\$685,027			-26.1%	
DEBT SERVICE FUND		-\$4,506	-\$7,363	\$3,000	\$3,200			0.0%	
Total Operating Expenditures		\$4,960,943	\$5,599,603	\$4,532,103	\$4,808,042			-1.0%	

Current & Proposed Debt Obligations

CITY OF MERCEDES, TEXAS									
SUMMARY OF ALL WATER & WW DEBT									
ISSUE			Original Amount Issued	Range of Interest Rates	Bal. End FY 2022	% Allocated to Water	% Allocated To WW		
Combination Tax and Limited Pledge Revenue CO's, Series 2006			\$0	0.0%	\$240,000	50%	50%		
Series 2013 Utility System Revenue Bonds			\$0	0.0%	\$1,970,000	50%	50%		
Series 2013 General Obligation Refunding Bonds			\$0	2.5%	\$150,000	50%	50%		
Series 2016 Limited Tax Refunding Bonds			\$0	0.0%	\$2,636,400	50%	50%		
Series 2021 Combination Tax and Limited Pledge Revenue Certificates of Obligation			\$0	0.0%	\$8,200,000	50%	50%		
Series 2023 TWDB DWSRF - GO			\$10,410,000	3.0%	\$0	100%	0%		
Series 2023 TWDB CWSRF - GO			\$4,115,000	3.0%	\$0	0%	100%		
67									
TOTAL			\$14,525,000		\$13,196,400	\$6,598,200	\$6,598,200		

CITY OF MERCEDES, TEXAS

SUMMARY OF ALL WATER & WW DEBT

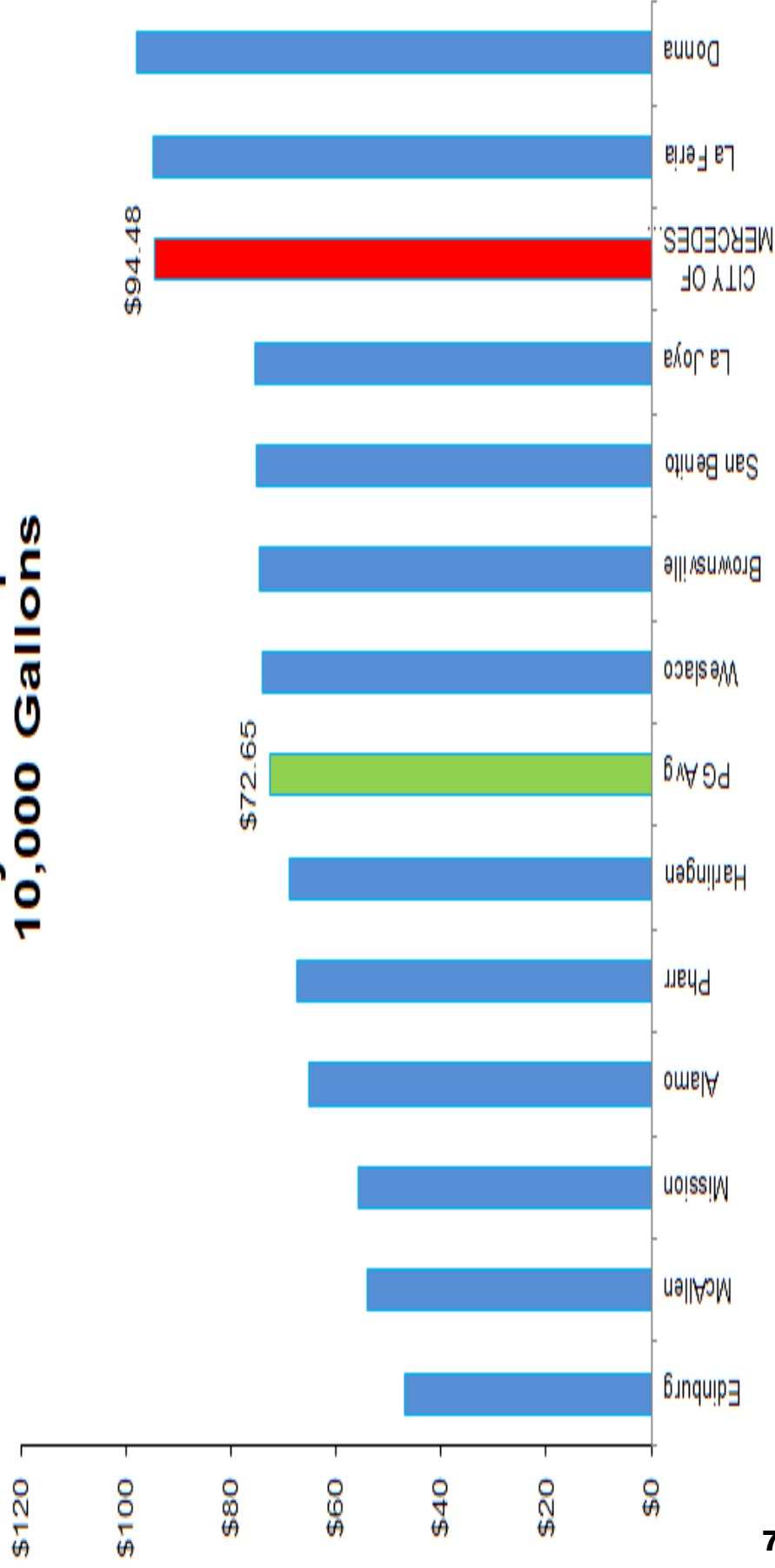
FYE	Begin Period Debt	Less Refundings	Plus Additions	Principal	Interest	Total Debt Service	Ending Principal
2022	\$5,620,100	\$0	\$8,200,000	\$623,700	\$153,876	\$777,576	\$13,196,400
2023	\$13,196,400	\$0	\$14,525,000	\$721,100	\$226,483	\$947,583	\$27,000,300
2024	\$27,000,300	\$0	\$0	\$1,182,300	\$580,187	\$1,762,487	\$25,818,000
2033	\$16,018,650	\$0	\$0	\$1,477,850	\$321,182	\$1,799,032	\$14,540,800
2034	\$14,540,800	\$0	\$0	\$557,300	\$293,166	\$850,466	\$13,983,500
2035	\$13,983,500	\$0	\$0	\$579,250	\$275,765	\$855,015	\$13,404,250
2038	\$12,225,000	\$0	\$0	\$600,000	\$222,150	\$822,150	\$11,625,000
2048	\$5,330,000	\$0	\$0	\$810,000	\$12,150	\$822,150	\$4,520,000
2049	\$4,520,000	\$0	\$0	\$0	\$0	\$0	\$4,520,000

Water Revenue: Distribution of Metered Water Consumption and Billed Revenue by Customer Class

CITY OF MERCEDES, TEXAS								
REVENUE TO DEMAND COMPARISON BY CUSTOMER CLASS								
Water								
Customer Class	FYE 2021 Billed Revenue	FYE 2021 Volume	% Billed Revenue to Total	% Billed Usage to Total				
Residential ICL	\$1,165,628	226,296,200	45.0%	39.1%				
Residential OCL	\$225,518	37,965,200	8.7%	6.6%				
Mult Fam / Small Bus ICL	\$329,160	107,211,300	12.7%	18.5%				
Mult Fam / Small Bus OCL	\$3,703	494,100	0.1%	0.1%				
Commercial ICL	\$558,715	133,204,300	21.6%	23.0%				
Commercial OCL	\$4,725	705,500	0.2%	0.1%				
Senior ICL	\$265,949	57,826,700	10.3%	10.0%				
Senior OCL	\$19,039	3,871,000	0.7%	0.7%				
Senior MF	\$3,133	744,800	0.1%	0.1%				
La Herencia Subd	\$16,402	11,048,900	0.6%	1.9%				
Total	\$2,592,356	579,368,000	100%	100%				

Residential Peer Group Comparison – Current Rates

**Current Residential Water & Wastewater
Monthly Bill Comparison
10,000 Gallons**



CITY OF MERCEDES, TEXAS

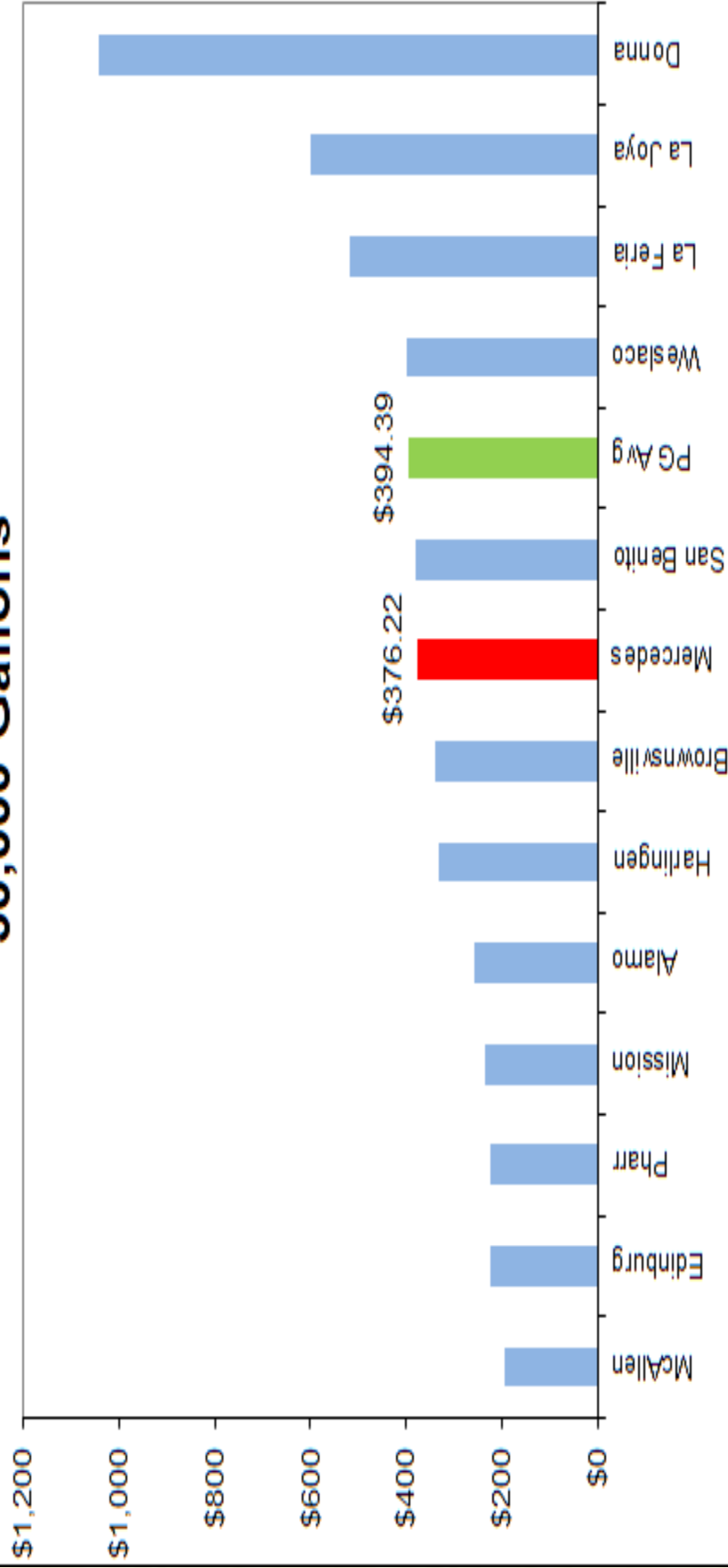
2020 COST OF SERVICE AND RATE DESIGN STUDY

KEY METRICS BY CUSTOMER CLASS

Customer Class	Residential ICL						
	Ttl Metered Consumpt - Gal	Billed Revenue	Avg. No. of Accts	Avg Gallons per Meter per Month	Avg Revenue per Account	Avg Revenue per Metered per Metered KGal	
FYE 2016	205,790,300	\$810,644	2,412	7,109	\$28.00	\$3.94	
FYE 2017	252,553,300	\$1,034,350	2,704	7,782	\$31.87	\$4.10	
FYE 2018	231,939,300	\$987,256	2,766	6,988	\$29.74	\$4.26	
FYE 2019	219,161,700	\$1,001,925	2,750	6,641	\$30.36	\$4.57	
FYE 2020	230,085,000	\$1,094,056	2,764	6,936	\$32.98	\$4.76	
FYE 2021	226,296,200	\$1,165,628	2,834	6,654	\$34.27	\$5.15	
Avg Grth Rate - 6 Years	1.92%	7.53%	3.27%	-1.31%	4.12%	5.51%	
Avg - FYE 2016-21		\$1,015,643	2,705	7,018	\$31.21	\$4.46	

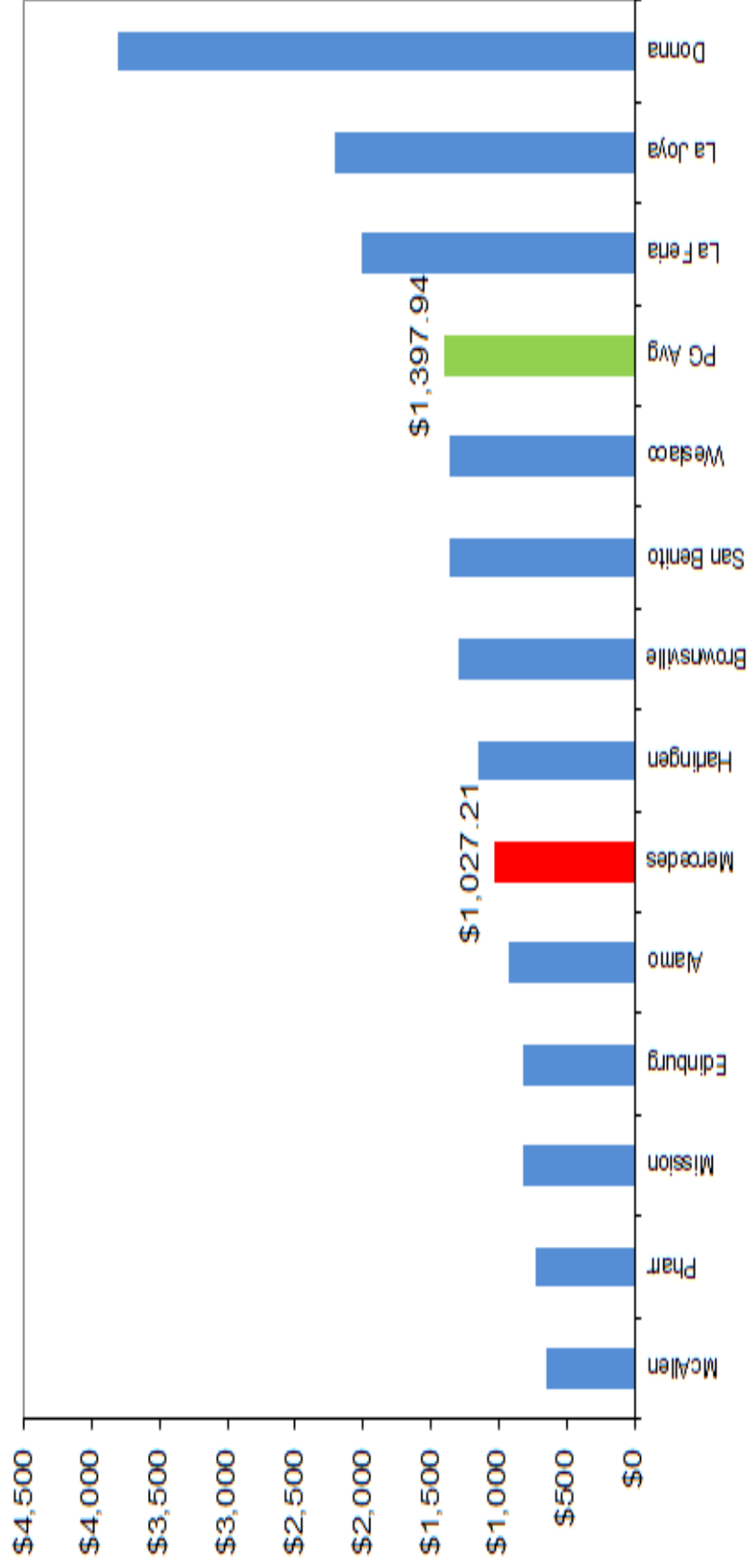
Commercial Peer Group Comparison 1 – Current Rates

Current Commercial Water & Wastewater Monthly Bill Comparison 50,000 Gallons



Commercial Peer Group Comparison 2 – Current Rates

Current Commercial Water & Wastewater Monthly Bill Comparison 200,000 Gallons



CITY OF MERCEDES, TEXAS
2020 COST OF SERVICE AND RATE DESIGN STUDY

KEY METRICS BY CUSTOMER CLASS

Customer Class	Commercial ICL					
	Ttl Metered Consumpt - Gal	Billed Revenue	Avg. No. of Accts	Avg Gallons per Meter per Month	Avg Revenue per Account	Avg Revenue per Metered KGal
FYE 2016	162,555,700	\$506,132	319	42,465	\$132	\$3.11
FYE 2017	161,330,700	\$563,830	322	41,752	\$146	\$3.49
FYE 2018	150,215,000	\$534,096	335	37,330	\$133	\$3.56
FYE 2019	163,089,700	\$594,794	370	36,740	\$134	\$3.65
FYE 2020	144,819,100	\$571,635	402	30,045	\$119	\$3.95
FYE 2021	133,204,300	\$558,715	402	27,641	\$116	\$4.19
Avg Grth Rate - 6 Years	-3.90%	2.00%	4.71%	-8.23%	-2.59%	6.14%
Avg - FYE 2016-21		\$554,867	358	35,996	\$129.90	\$3.66

Meter Flow Rates

AWWA - EQUIVALENT METER RATIOS & FLOW RATES				
Water Meter Size	AWWA Meter Ratio	Demand Flow Rates - gpm		Max Cont. Demand - gpm
		Minimum	Maximum	
5/8"	1.0	0.25	25	10
3/4"	1.1	0.50	30	15
1"	2.5	0.75	50	25
1 1/2"	8.0	1.50	100	50
2"	10.0	4	200	100
3"	22.5	8	350	240
4"	60.0	15	630	420
6"	125.0	30	1,400	920
8"	200.0	140	1,600	900
10"	325.0	225	2,500	1,450

Commercial Minimum Charge Comparison by Meter Size

CITY OF MERCEDES, TEXAS												
COMPARISON OF COMMERCIAL ICL MIN. CHARGE ESCALATOR BY METER SIZE - \$												
Meter Size	Brownsville PUB 2021	McAllen PUB	Mercedes	Agua SUD 2022	Weslaco 2017	Alamo	Pharr	La Joya	Harlingen 2020	Mission 2020	Rio Grande City 2020	AVERAGE
5/8"	\$12.06	\$24.24	\$43.36	\$34.11	\$37.24	\$31.50	\$26.55	\$35.82	\$7.93	\$10.50	\$23.59	\$24.35
3/4"	\$12.06	\$24.24	\$43.36	\$34.11	\$37.24	\$31.50	\$26.55	\$35.82	\$7.93	\$10.50	\$23.59	\$24.35
1"	\$22.64	\$24.24	\$43.36	\$50.77	\$40.18	\$36.00	\$26.55	\$52.62	\$10.07	\$11.31	\$30.60	\$30.50
1.5"	\$37.55	\$33.58	\$43.36	\$59.50	\$46.31	\$0.00	\$26.55	\$61.03	\$14.56	\$31.57	\$46.50	\$35.72
2"	\$59.50	\$33.58	\$43.36	\$73.42	\$55.41	\$74.91	\$30.68	\$69.43	\$33.02	\$39.86	\$71.07	\$54.09
3"	\$137.70	\$63.01	\$43.36	\$0.00	\$78.28	\$128.87	\$42.48	\$77.83	\$49.17	\$56.50	\$124.55	\$75.84
4"	\$209.75	\$97.88	\$43.36	\$174.08	\$108.11	\$196.28	\$64.90	\$86.24	\$112.87	\$73.08	\$200.89	\$132.41
6"	\$403.38	\$208.53	\$43.36	\$329.14	\$175.59	\$296.11	\$106.20	\$103.05	\$231.80	\$118.24	\$382.04	\$235.41
8"	\$632.69	\$331.94	\$43.36	\$588.05	\$222.21	\$0.00	\$0.00	\$200.03	\$426.15	\$471.95	\$660.37	\$353.34
76												

Estimated Meter Counts

	Actual per Billing Reports	Incode Meter Report	Assumed Meter Count	Assumed Avg. Monthly Consumption
5/8" & 3/4" Meters		4,935	4,490	
1" Meters		223	178	16,666
2" Meters		187	150	32,586
3" Meters		41	33	
4" Meters		24	19	102,798
6" Meters		2	2	150,000
8" Meters		2	1	225,000
Unknown Meters		1,293		
Non Meters		3		
TOTAL		6,710	4,873	
TOTAL NET OF UNKNOWN	4,873	5,417	4,873	

2 Inch Meter Charge Comparison at Multiple Consumption Levels

Meter Size			2"		No. Meters		150		Avg. Monthly Consumpt		50,000		200,000		500,000										
Min Charge		Min Charge - \$ / K Gal		A885		C885		A885		D885		A885		E885		F885		A885		G885		A885		H885	
A885	B885																								
Harlingen 2020	\$33.02	Harlingen 2020	\$16.51	Harlingen 2020	\$41.26	Harlingen 2020	\$49.51	Harlingen 2020	\$115.50	Harlingen 2020	\$362.99	Harlingen 2020	\$857.99												
McAllen PUB	\$33.58	McAllen PUB	\$16.79	Mission 2020	\$45.85	Mission 2020	\$55.85	Mission 2020	\$141.84	Alamo	\$427.99	\$997.98													
Mission 2020	\$39.86	Mission 2020	\$19.93	Eagle Pass 2020	\$61.13	Eagle Pass 2020	\$75.26	Alamo	\$143.00	Mission 2020	\$471.83	\$1,131.82													
Del Rio 2020	\$41.44	Del Rio 2020	\$20.72	Mercedes	\$65.77	Alamo	\$84.50	Brownsville PUB 2021	\$189.97	Brownsville PUB 2021	\$581.46	\$1,364.45													
Mercedes	\$43.36	Mercedes	\$21.68	PG Avg.	\$67.74	PG Avg.	\$85.11	Eagle Pass 2020	\$199.04	Mercedes	\$647.24	\$1,481.24													
Eagle Pass 2020	\$52.95	Eagle Pass 2020	\$26.48	Del Rio 2020	\$68.91	Brownsville PUB 2021	\$85.58	Weslaco 2017	\$219.52	Eagle Pass 2020	\$676.03	\$1,636.02													
PG Avg.	\$53.52	PG Avg.	\$26.76	Weslaco 2017	\$70.54	Weslaco 2017	\$85.69	Mercedes	\$230.25	Weslaco 2017	\$729.51	\$1,749.50													
Weslaco 2017	\$55.41	Weslaco 2017	\$27.71	Brownsville PUB 2021	\$72.54	Mercedes	\$86.40	PG Avg.	\$234.11	PG Avg.	\$805.66	\$1,949.36													
Brownsville PUB 2021	\$59.50	Brownsville PUB 2021	\$29.75	McAllen PUB	\$73.49	Del Rio 2020	\$96.40	Rio Grande City 2020	\$261.13	Rio Grande City 2020	\$863.22	\$2,067.40													
Rio Grande City 2020	\$71.07	Rio Grande City 2020	\$35.54	Alamo	\$78.51	Rio Grande City 2020	\$100.59	Del Rio 2020	\$316.37	Del Rio 2020	\$1,141.35	\$2,791.34													
Agua SUD 2022	\$73.42	Agua SUD 2022	\$36.71	Rio Grande City 2020	\$81.25	Agua SUD 2022	\$104.33	Agua SUD 2022	\$321.74	Agua SUD 2022	\$1,170.73	\$2,868.71													
Alamo	\$74.91	Alamo	\$37.46	Agua SUD 2022	\$83.88	McAllen PUB	\$113.42	McAllen PUB	\$432.98	McAllen PUB	\$1,631.45	\$4,028.43													

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6 Inch Meter Charge Comparison at Multiple Consumption Levels

Cust. Class	3mm ICL - Wat Meter Size	6"	No. Meters	2	Avg. Monthly Consumpt	150,000	200,000	500,000
Min Charge	Min Charge - \$ / K Gal	5,000	10,000	50,000	100,000	150,000	200,000	500,000
Mercedes	\$43.36 Mercedes	\$21.68 Mercedes	\$65.77 Mercedes	\$86.40 Mission 2020	\$220.22 Mission 2020	\$550.21 Harlingen 2020	\$550.21 Mission 2020	\$1,056.77 Harlingen 2020
Mission 2020	\$118.24 Mission 2020	\$59.12 Mission 2020	\$124.23 Mission 2020	\$134.23 Mercedes	\$230.25 Harlingen 2020	\$561.77 Mission 2020	\$561.77 Mission 2020	\$1,210.20 Mission 2020
Weslaco 2017	\$175.59 Weslaco 2017	\$87.80 Weslaco 2017	\$190.72 Weslaco 2017	\$205.87 Harlingen 2020	\$314.28 Mercedes	\$647.24 Alamo	\$647.24 Alamo	\$1,219.18 Alamo
McAllen PUB	\$208.53 McAllen PUB	\$104.27 Harlingen 2020	\$240.04 Harlingen 2020	\$248.29 Weslaco 2017	\$339.70 Alamo	\$649.19 Mercedes	\$649.19 Mercedes	\$1,481.24 Mercedes
Harlingen 2020	\$231.80 Harlingen 2020	\$115.90 McAllen PUB	\$248.44 Eagle Pass 2020	\$266.15 Alamo	\$364.20 Weslaco 2017	\$849.69 Brownsville PUB 2021	\$849.69 Brownsville PUB 2021	\$1,708.33 Brownsville PUB 2021
Eagle Pass 2020	\$243.85 Eagle Pass 2020	\$121.92 Eagle Pass 2020	\$252.03 McAllen PUB	\$288.37 Eagle Pass 2020	\$389.93 Eagle Pass 2020	\$866.92 Eagle Pass 2020	\$866.92 Eagle Pass 2020	\$1,826.91 Eagle Pass 2020
PG Avg.	\$271.68 PG Avg.	\$135.84 PG Avg.	\$285.90 PG Avg.	\$303.28 PG Avg.	\$452.27 Brownsville PUB 2021	\$925.34 Weslaco 2017	\$925.34 Weslaco 2017	\$1,869.68 Weslaco 2017
Alamo	\$296.11 Alamo	\$148.06 Alamo	\$299.71 Alamo	\$305.70 Brownsville PUB 2021	\$533.85 PG Avg.	\$1,023.82 PG Avg.	\$1,023.82 PG Avg.	\$2,167.53 PG Avg.
Del Rio 2020	\$328.15 Del Rio 2020	\$164.08 Agua SUD 2022	\$339.60 Agua SUD 2022	\$360.04 Rio Grande City 2020	\$572.10 Rio Grande City 2020	\$1,174.18 Rio Grande City 2020	\$1,174.18 Rio Grande City 2020	\$2,378.37 Rio Grande City 2020
Agua SUD 2022	\$329.14 Agua SUD 2022	\$164.57 Del Rio 2020	\$355.62 Del Rio 2020	\$383.11 Agua SUD 2022	\$577.46 Agua SUD 2022	\$1,426.44 Del Rio 2020	\$1,426.44 Del Rio 2020	\$3,078.05 Del Rio 2020
Rio Grande City 2020	\$382.04 Rio Grande City 2020	\$191.02 Rio Grande City 2020	\$392.22 Rio Grande City 2020	\$411.56 Del Rio 2020	\$603.08 Del Rio 2020	\$1,428.06 Agua SUD 2022	\$1,428.06 Agua SUD 2022	\$3,124.42 Agua SUD 2022
Brownsville PUB 2021	\$403.38 Brownsville PUB 2021	\$201.69 Brownsville PUB 2021	\$416.42 Brownsville PUB 2021	\$429.46 McAllen PUB	\$607.93 McAllen PUB	\$1,806.40 McAllen PUB	\$1,806.40 McAllen PUB	\$4,203.38 McAllen PUB

Forecast Cash Flow Under Current Rates

CITY OF MERCEDES, TEXAS
CASH FLOW SUMMARY-WATER & WW
CONSUMPTION SCENARIO

AVERAGE

	FYE		FYE		FYE		FYE	
	2022	2023	2024	2025	2026	2027	2028	
Rate Revenues	\$5,404,943	\$5,567,358	\$5,724,655	\$6,090,904	\$6,201,181	\$6,313,461	\$6,427,780	
Non-Rate Revenues	\$135,500	\$239,430	\$243,475	\$247,639	\$251,925	\$256,337	\$260,878	
TOTAL REVENUES	\$5,540,443	\$5,806,788	\$5,968,130	\$6,338,543	\$6,453,106	\$6,569,798	\$6,688,658	
TOTAL EXPENSES	\$4,212,805	\$4,292,837	\$4,390,818	\$4,609,477	\$4,793,680	\$4,937,372	\$5,085,373	
Net Rev. Avail. For Debt Svc.	\$1,327,638	\$1,513,951	\$1,577,312	\$1,729,066	\$1,659,426	\$1,632,426	\$1,603,285	
DS- GEN. OBLIGATION / AD VALOREM TAX SUPPORTED								
Existing Tax Supported P&I	\$777,576	\$947,583	\$944,091	\$874,458	\$850,905	\$843,337	\$854,750	
Proposed Tax Supported P&I	\$0	\$0	\$818,396	\$821,325	\$823,950	\$826,125	\$822,925	
TOTAL ALL DEBT SERVICE	\$777,576	\$947,583	\$1,762,487	\$1,695,783	\$1,674,855	\$1,669,462	\$1,677,675	
Coverage Ratio on All Debt: Current Rev, Current Debt	1.71	1.60	0.89	1.02	0.99	0.98	0.96	
CASH AFTER ALL DEBT SVC.	\$550,062	\$566,367	(\$185,174)	\$33,283	(\$15,429)	(\$37,036)	(\$74,390)	
RESERVE FUNDING								
G.F. Reimbursement	\$300,000	\$300,000	\$210,000	\$300,000	\$300,000	\$300,000	\$300,000	
O&M 60 Day Reserve	\$297,237	\$107,671	\$107,671	\$107,671	\$107,671	\$107,671	\$107,671	
Total Reserve Contributions	\$597,237	\$407,671	\$317,671	\$407,671	\$407,671	\$407,671	\$407,671	
CASH FOR CAPITAL OUTLAYS	(\$47,175)	\$158,696	(\$502,846)	(\$374,388)	(\$423,100)	(\$444,708)	(\$482,061)	
Total Capital Outlays	\$0	\$0	\$0	\$300,000	\$465,000	\$638,250	\$670,163	
FY END BALANCE	(\$47,175)	\$158,696	(\$502,846)	(\$674,388)	(\$888,100)	(\$1,082,958)	(\$1,152,224)	

Impact of Proposed Residential Water and Wastewater Rate Increases

CITY OF MERCEDES, TEXAS

PROPOSED W & WW RATE IMPACT:

Residential ICL

AVERAGE CONSUMPTION

7,000

86%

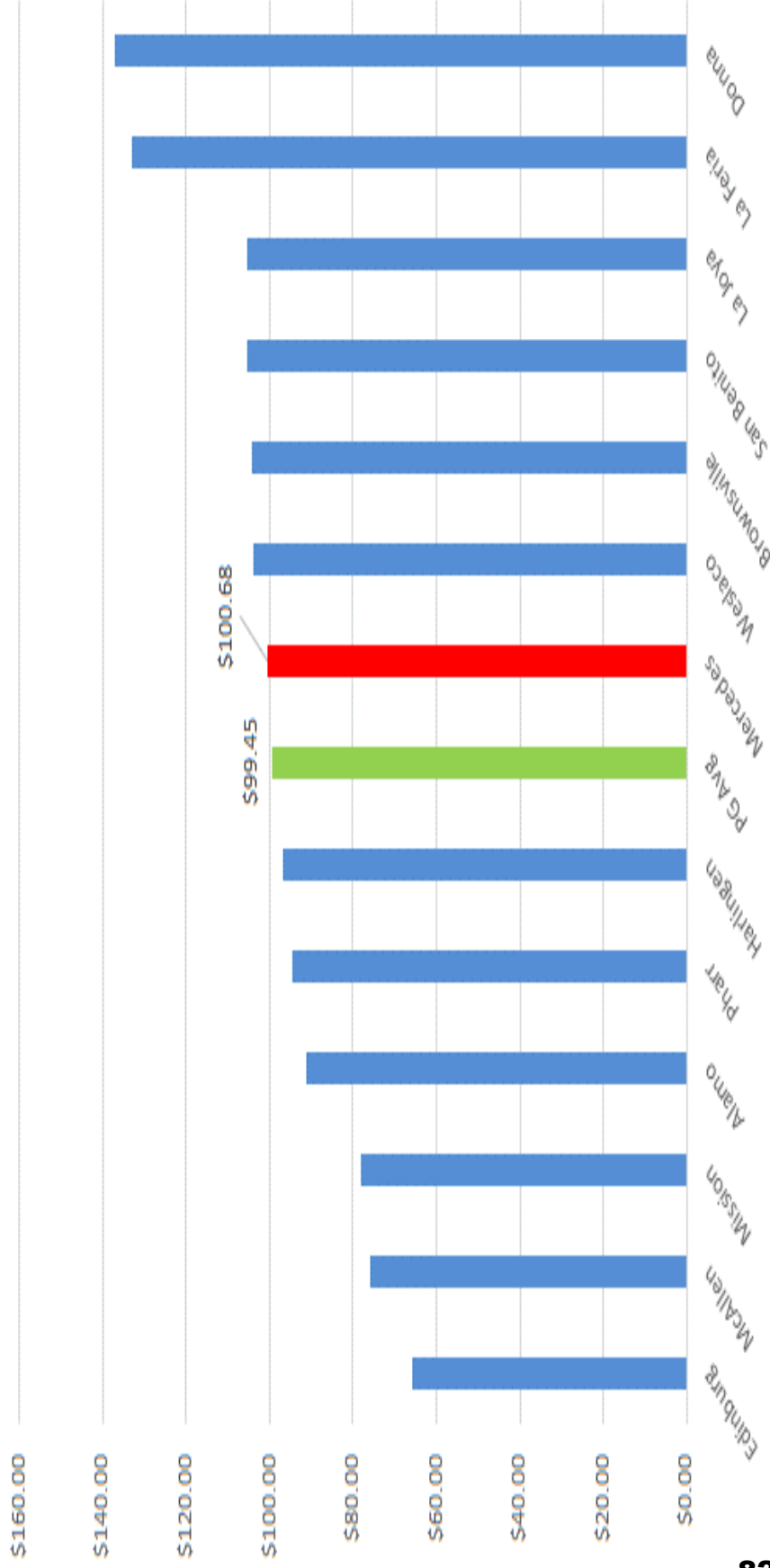
AVERAGE CONSUMPTION - WINTER

6,035

Monthly Gallons	FYE2021	FYE2022	10/1/22	10/1/23	10/1/24	10/1/25	10/1/26	Avg. Annual Increase
1	\$40.75	\$52.94	\$54.92	\$56.89	\$58.87	\$60.84	\$62.82	
\$ Increase		\$12.19	\$1.98	\$1.98	\$1.98	\$1.98	\$1.98	\$1.98
% Increase		29.9%	3.7%	3.6%	3.5%	3.4%	3.2%	3.5%
5,001	\$61.26	\$74.84	\$76.39	\$77.63	\$78.87	\$80.12	\$81.38	
\$ Increase		\$13.58	\$1.55	\$1.24	\$1.24	\$1.25	\$1.26	\$1.31
% Increase		22.2%	2.1%	1.6%	1.6%	1.6%	1.6%	1.7%
10,001	\$80.26	\$94.48	\$96.22	\$97.31	\$98.42	\$99.54	\$100.68	
\$ Increase		\$14.22	\$1.74	\$1.09	\$1.11	\$1.12	\$1.14	\$1.24
% Increase		17.7%	1.8%	1.1%	1.1%	1.1%	1.1%	1.3%
25,001	\$140.60	\$156.66	\$159.17	\$159.98	\$160.82	\$161.70	\$162.62	
\$ Increase		\$16.06	\$2.51	\$0.81	\$0.84	\$0.88	\$0.92	\$1.19
% Increase		11.4%	1.6%	0.5%	0.5%	0.5%	0.6%	0.7%
50,000	\$240.84	\$256.20	\$262.69	\$265.56	\$268.52	\$271.55	\$274.67	
\$ Increase		\$15.36	\$6.49	\$2.88	\$2.95	\$3.03	\$3.12	\$3.69
% Increase		6.4%	2.5%	1.1%	1.1%	1.1%	1.1%	1.4%

Residential Peer Group Comparison After 5 Year Adjustment –Assumed 7% per Annum Increase for Peer Group

**FYE 2027 Forecast
Combined Residential
Water & WW Rates @ 10,000 Gallons**



NO. ACCOUNTS

199

AVERAGE CONSUMPTION

44,278

AVERAGE CONSUMPTION - WINTER

44,291

Minimum Charge	FYE2021	FYE2022	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	Avg Annual Increase
5/8" & 3/4" Meter Sched MFI + U	\$23.29	\$31.33	\$36.25	\$44.12	\$47.07	\$49.03	\$51.00	10.2%
3/4" Meter	\$23.29	\$31.33	\$36.25	\$44.12	\$47.07	\$49.03	\$51.00	10.2%
1" Meter	\$23.29	\$31.33	\$37.75	\$48.02	\$51.87	\$54.43	\$57.00	12.7%
1 1/2" Meter	\$23.29	\$31.33	\$39.25	\$51.92	\$56.67	\$59.83	\$63.00	15.0%
2" Meter	\$23.29	\$31.33	\$46.00	\$69.47	\$78.27	\$84.13	\$90.00	23.5%
3" Meter	\$23.29	\$31.33	\$59.75	\$105.22	\$122.27	\$133.63	\$145.00	35.9%
4" Meter	\$23.29	\$31.33	\$81.00	\$160.47	\$190.27	\$210.13	\$230.00	49.0%
6" Meter	\$23.29	\$31.33	\$132.25	\$293.72	\$354.27	\$394.63	\$435.00	69.2%
8" Meter	\$23.29	\$31.33	\$207.25	\$488.72	\$594.27	\$664.63	\$735.00	88.0%
Consumption Charge - K Gal								
1	\$2.07	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24	9.4%
1,001	\$2.07	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24	9.4%
3,001	\$2.07	\$2.07	\$2.30	\$2.53	\$2.78	\$3.03	\$3.24	9.4%
5,000	\$3,590.00	\$4,820.00	\$3,856.00	\$2,313.60	\$925.44	\$185.09	\$0.00	-100.0%
5,002	\$2.20	\$2.20	\$2.44	\$2.69	\$2.95	\$3.22	\$3.45	9.4%
10,000	\$3,580.00	\$4,820.00	\$3,856.00	\$2,313.60	\$925.44	\$185.09	\$0.00	-100.0%
10,002	\$2.34	\$2.34	\$2.60	\$2.86	\$3.14	\$3.43	\$3.67	9.4%
15,000	\$3,580.00	\$4,810.00	\$3,848.00	\$2,308.80	\$923.52	\$184.70	\$0.00	-100.0%
15,002	\$2.45	\$2.45	\$2.72	\$2.99	\$3.29	\$3.59	\$3.84	9.4%
20,000	\$3,580.00	\$4,820.00	\$3,856.00	\$2,313.60	\$925.44	\$185.09	\$0.00	-100.0%
20,002	\$2.53	\$2.53	\$2.81	\$3.09	\$3.40	\$3.70	\$3.96	9.4%
25,000	\$2.64	\$2.64	\$2.11	\$1.27	\$0.51	\$0.10	\$0.00	-100.0%
25,002	\$2.78	\$2.64	\$2.93	\$3.22	\$3.55	\$3.86	\$4.14	9.4%
30,000	\$2.78	\$2.78	\$3.09	\$3.39	\$3.73	\$4.07	\$4.35	9.4%
30,002	\$2.78	\$2.78	\$3.09	\$3.39	\$3.73	\$4.07	\$4.35	9.4%

Impact of Proposed Multi Family/Small Business Water and Wastewater Rate Increases

CITY OF MERCEDES, TEXAS

IMPACT OF PROPOSED RATES:

Mult Fam / Small Bus ICL

AVERAGE CONSUMPTION

44,278

100%

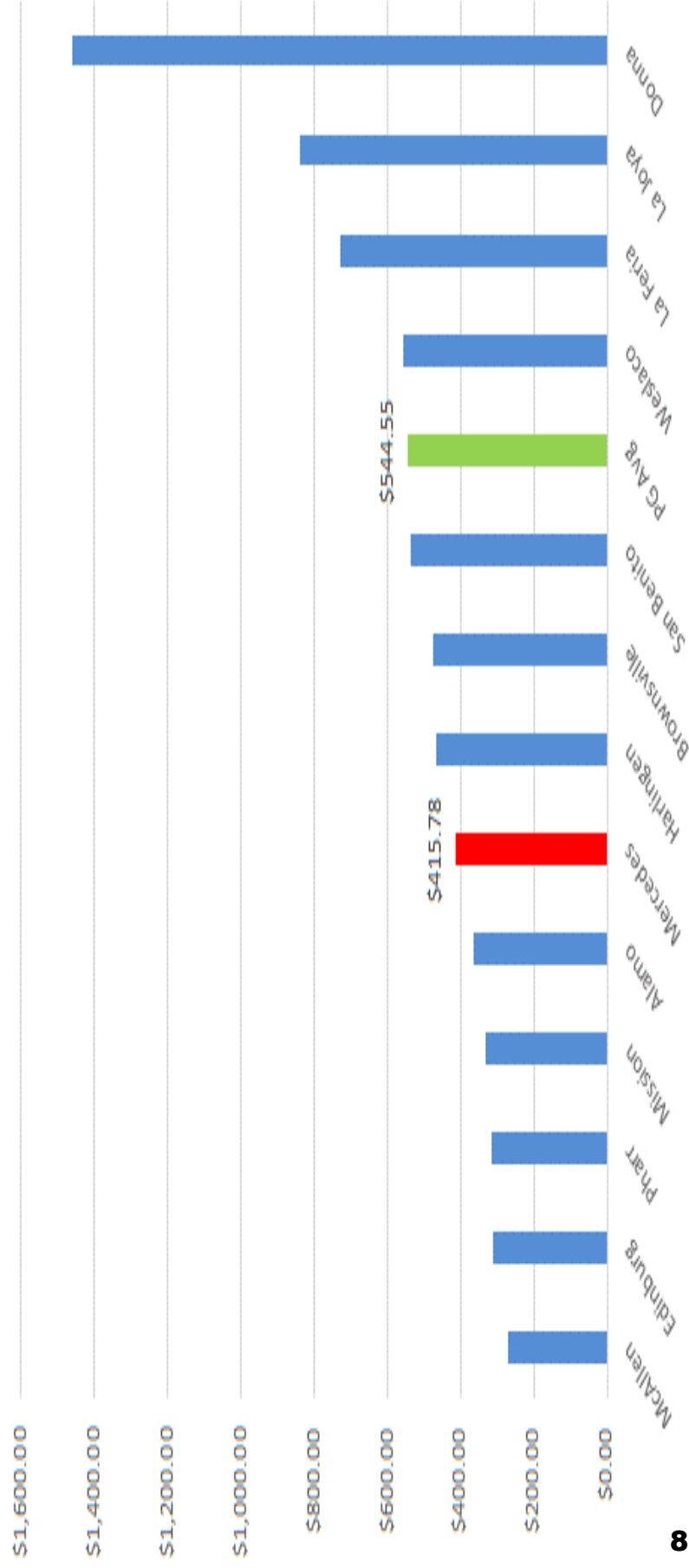
AVERAGE CONSUMPTION - WINTER

44,291

Monthly Gallons	FYE2021	FYE2022	10/1/22	10/1/23	10/1/24	10/1/25	10/1/26	Avg. Annual Increase
10,001	\$99.91	\$119.91	\$131.54	\$144.99	\$154.21	\$163.70	\$173.68	
\$ Increase	\$20.00	\$20.00	\$11.63	\$13.45	\$9.22	\$9.49	\$9.98	\$10.75
% Increase	20.0%	20.0%	9.7%	10.2%	6.4%	6.2%	6.1%	7.7%
30,001	\$182.13	\$203.90	\$221.78	\$240.41	\$255.93	\$272.93	\$290.16	
\$ Increase	\$21.77	\$21.77	\$17.88	\$18.63	\$15.52	\$17.00	\$17.23	\$17.25
% Increase	12.0%	12.0%	8.8%	8.4%	6.5%	6.6%	6.3%	7.3%
50,000	\$262.33	\$284.10	\$310.80	\$338.33	\$363.64	\$390.33	\$415.78	
\$ Increase	\$21.77	\$21.77	\$26.70	\$27.53	\$25.32	\$26.69	\$25.45	\$26.34
% Increase	8.3%	8.3%	9.4%	8.9%	7.5%	7.3%	6.5%	7.9%
200,000	\$863.82	\$885.59	\$978.45	\$1,072.75	\$1,171.50	\$1,270.90	\$1,357.99	
\$ Increase	\$21.77	\$21.77	\$92.87	\$94.29	\$98.76	\$99.40	\$87.09	\$94.48
% Increase	2.5%	2.5%	10.5%	9.6%	9.2%	8.5%	6.9%	8.9%

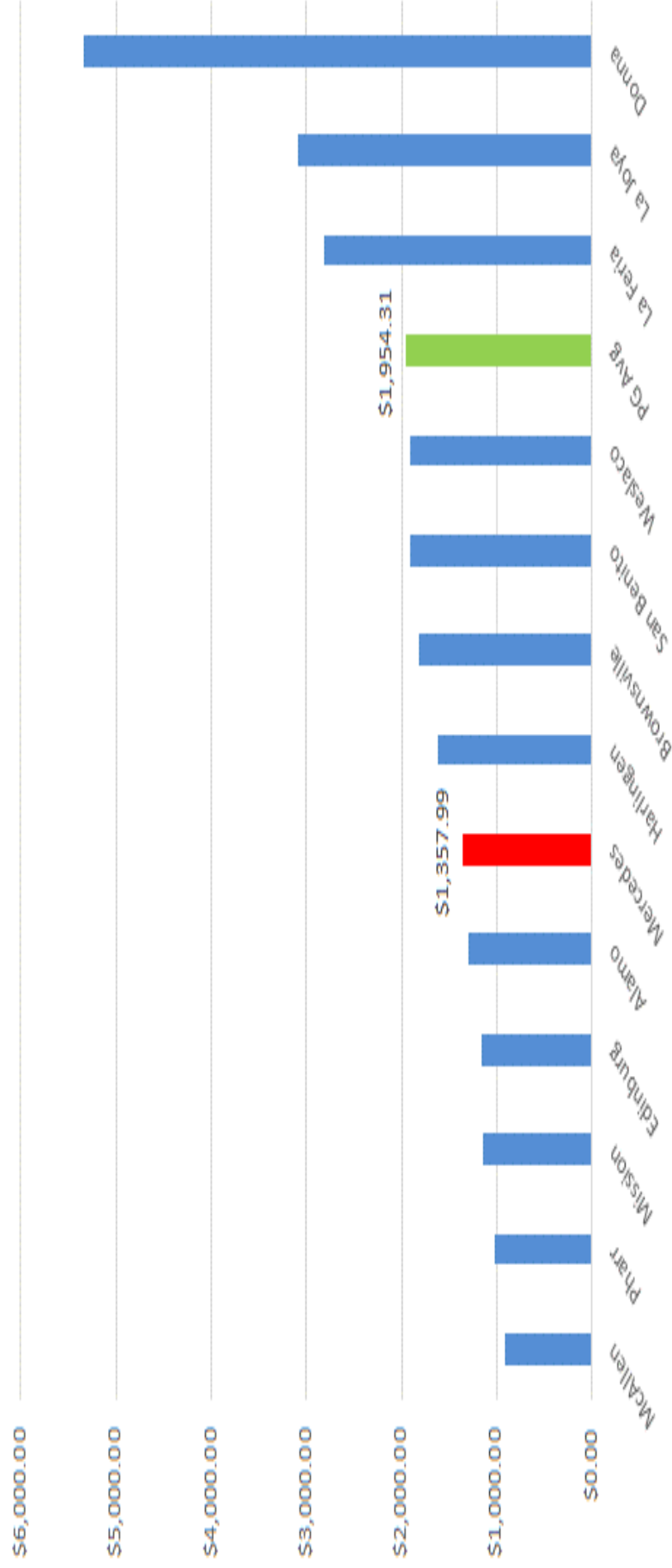
Commercial Peer Group Comparison After 5 Year Adjustment – Assumed 7% per Annum Increase for Peer Group

FYE 2027 Forecast
Commercial
Meter Size = 5/8" and 3/4"
Combined W & WW Bill @ 50,000 Gallons



Commercial Peer Group Comparison After 5 Year Adjustment – Assumed 7% per Annum Increase for Peer Group

FYE 2027 Forecast
Commercial
Meter Size = 5/8" and 3/4"
Combined W & WW Bill @ 200,000 Gallons



Forecast Cash Flow Under Proposed Rates

CITY OF MERCEDES, TEXAS

CASH FLOW SUMMARY-WATER & WW

CONSUMPTION SCENARIO

AVERAGE

	FYE			FYE			FYE		
	2022	2023	2024	2025	2026	2027	2028		
Rate Revenues	\$5,404,943	\$5,820,434	\$6,264,876	\$6,906,996	\$7,286,006	\$7,683,768	\$7,845,526		
Non-Rate Revenues	\$135,500	\$239,430	\$243,475	\$247,639	\$251,925	\$256,337	\$260,878		
TOTAL REVENUES	\$5,540,443	\$6,059,864	\$6,508,351	\$7,154,635	\$7,537,931	\$7,940,105	\$8,106,403		
TOTAL EXPENSES	\$4,212,805	\$4,292,837	\$4,390,818	\$4,609,477	\$4,793,680	\$4,937,372	\$5,085,373		
Net Rev. Avail. For Debt Svc.	\$1,327,638	\$1,767,027	\$2,117,533	\$2,545,158	\$2,744,251	\$3,002,733	\$3,021,030		
DS- GEN. OBLIGATION / AD VALOREM TAX SUPPORTED									
Existing Tax Supported P&I	\$777,576	\$947,583	\$944,091	\$874,458	\$850,905	\$843,337	\$854,750		
Proposed Tax Supported P&I	\$0	\$0	\$818,396	\$821,325	\$823,950	\$826,125	\$822,925		
TOTAL ALL DEBT SERVICE	\$777,576	\$947,583	\$1,762,487	\$1,695,783	\$1,674,855	\$1,669,462	\$1,677,675		
Coverage Ratio on All Debt:	1.71	1.86	1.20	1.50	1.64	1.80	1.80		
Current Rev, Current Debt									
CASH AFTER ALL DEBT SVC.	\$550,062	\$819,443	\$355,047	\$849,375	\$1,069,395	\$1,333,271	\$1,343,355		
RESERVE FUNDING									
G.F. Reimbursement	\$300,000	\$300,000	\$210,000	\$300,000	\$300,000	\$300,000	\$300,000		
O&M 60 Day Reserve	\$297,237	\$107,671	\$107,671	\$107,671	\$107,671	\$107,671	\$107,671		
Total Reserve Contributions	\$597,237	\$407,671	\$317,671	\$407,671	\$407,671	\$407,671	\$407,671		
CASH FOR CAPITAL OUTLAYS	(\$47,175)	\$411,772	\$37,375	\$441,704	\$661,724	\$925,600	\$935,684		
Total Capital Outlays	\$0	\$0	\$0	\$300,000	\$465,000	\$638,250	\$670,163		
FY END BALANCE	(\$47,175)	\$411,772	\$37,375	\$141,704	\$196,724	\$287,350	\$265,522		

ORDINANCE NO. 2022 - 09

AN ORDINANCE AMENDING ORDINANCE 2007-21 ADOPTING VARIOUS STANDARD CODES RELATING TO PERMIT AND INSPECTION ACTIVITIES OF THE CITY OF MERCEDES, HIDALGO COUNTY, TEXAS; AMENDING EXHIBIT “A” FEE SCHEDULE BUIDLING PERMIT FEES; ESTABLISHING FOR AN EFFECTIVE DATE.

WHEREAS, it is the desire of the City of Mercedes to update the fee schedule attached as Exhibit “A” to undertake numerous tasks that deal with construction of buildings, planning and developing of properties.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MERCEDES, TEXAS, THAT ORDINANCE 2008-11, ORDINANCE 2012-01 AND 2017-06, EXHIBIT “A” FEE SCHEDULE IS HERBY AMENDED TO READ AS FOLLOWS:

SECTION I. Permit Fees

- (a) *Schedule of fees.* The following fees shall be charged for the work shown. Other fees may be required under other ordinances. In the event that a permit is to be issued for work not shown below, a fee shall be charged based upon a category of work shown which most nearly resembles the wok intended. The permit fees listed may be doubled if work is started prior to the permit being issued.
- (b) *Investigation fee.* Any person who commences any work on any building or structure; or any electrical, gas, plumbing, or mechanical system before obtaining the necessary permits shall be subject to an investigation fee equal to the fee included in the permit fee schedule. The investigation fee shall be in addition to the regular permit fee.
 - a. *Contractor Registration.* It shall be unlawful for any person who is not registered by the City as a sign, concrete, electrical, plumbing, mechanical, irrigations, house moving, fuel tank installer, maintenance worker for apartments (plumbing/mechanical), or general contractor to secure a permit as provided for in this code, except that homeowners may obtain permits to perform work at a residence for which they have a homestead tax exemption and in which they live.
 - b. *Method of registration.* To register with the City as a contractor, application shall be made in writing on forms furnished by the building Official for that purpose along with the registration fee as required in this section.
 - c. *Contractor registration renewal.* Every contractor registration provided for in this code shall expire one year following the date of its issuance and shall be renewed by the building official upon application and upon the payment to the City of the required renewal fee.

SECTION II. Cumulative Provision

Any ordinance, regulation, policy, or executive order that is in conflict with the fees reflected in Section I and Exhibit “A” of this ordinance shall be deemed superseded, null, and void.

SECTION III. Severability Provision.

Should any sentence, provision, phrase or specific fee be deemed to be invalid or unconstitutional by a court of competent jurisdiction, the remaining components shall be deemed to be in full force and effect.

SECTION IV. Effective Date.

The fees established by this ordinance shall be in full force and effect upon publication of the caption of this ordinance in a newspaper of general jurisdiction.

READ, DISCUSSED, AND APPROVED ON THIS THE 7TH DAY OF JUNE, 2022. 1ST READING OF ORDINANCE.

APPROVED AND ADOPTED ON THIS THE 21ST DAY OF JUNE, 2022. 2ND READING OF ORDINANCE.

ATTEST:

Oscar D. Montoya Sr., Mayor

Joselynn Castillo, City Secretary

Martie Garcia-Vela, City Attorney

EXHIBIT "A"

Fee Schedule

Base Residential Building Permit Fee Schedule

Residential Building Permit Fee – Based on Square Feet

0-1,200 sq. ft.	0.30 cents per square ft.
1,201 – 2,000 sq. ft.	0.30 cents per square ft.
2001 sq. ft. and up	0.30 cents per square ft.

*A non-refundable plan review fee of \$150.00 shall be assessed to all Residential building permit applications at time of submittal.

Base Commercial Building Permit Fee Schedule

Commercial Building permit fees charged, including Multi-Family, for: New Construction, Additions, Alterations, Remodels & Repairs of a building, shall be based on the current International Code Council building schedule of valuation amounts per square foot of improvement adopted every year.

<u>Construction Value</u>	<u>Fee</u>
\$0 and up to \$2,000	\$65.00
\$2,001 and up to \$25,000	\$66.00 for 1 st \$2,000 Plus \$13.25 ea. addtl. \$1,000 or fraction
\$25,001 and up to \$50,000	\$367.25 first \$25,000 Plus \$10.25 ea. addtl. \$1,000 or fraction

\$50,001 and up to \$100,000	\$605.25 first \$50,000 Plus \$7.25 ea. addtl. \$1,000 or fraction
\$100,001 and up to \$500,000	\$932.25 first \$100,000 Plus \$5.25 ea. addtl. \$1,000 or fraction
\$500,001 and up to \$1,000,000	\$3,032.25 first \$500,000 Plus \$5.25 ea. addtl. \$1,000 or fraction
more than \$1,000,000	\$5,263.25 first \$1,000,000 Plus \$3.25 ea. addtl. \$1,000 or fraction

*A non-refundable plan review fee shall be assessed to all Commercial and Multi-Family Building (three or more dwelling units in a building), Single, and Two-Family Residential building permit applications at the time of submittal. A building permit application is not considered received until the plan review fee has been paid. The non-refundable plan review fee shall be assessed at 35% of the building permit fee.

Contractor Permit Fees

1. There shall be a license registration fee of one hundred twenty-five dollars (\$150.00) for all electrical, plumbing, and mechanical contractors conducting business in the City of Mercedes.
2. There shall be a renewal fee of seventy-five dollars (\$100.00) for all electrical, plumbing, and mechanical contractors conducting business in the City of Mercedes.

Demolition Permit Fees

0 to 1,000 sq. ft.	\$100.00 + inspection fee
Plus for every addtl. 500 sq. over 1,000 sq. ft.	\$20.00
Inspection fee	\$25.00

Demolition Permit Fees Continued

Reinspection fee	\$50.00
------------------	---------

Mechanical Permit Fees

Applies to new or alterations/additions to existing systems

Base Permit Fee	\$45.00
Reinspection	\$25.00

Heating, Ventilation, Ductwork, Air Conditioning and Refrigeration Systems:

1 ton basis for the first 4 tons (each)	\$6.00
---	--------

Each ton between 4 and 10 tons	\$3.00
--------------------------------	--------

Each ton above 10 tons	\$1.50
------------------------	--------

All boilers (based on BTU input)

33,000 BTU to 165,000 BTU	\$5.00
---------------------------	--------

1650,001 BTU to 330,000 BTU	\$10.00
-----------------------------	---------

330,001 BTU to 1,165,000 BTU	\$15.00
------------------------------	---------

1,165,000 BTU to 3,300,000 BTU	\$20.00
--------------------------------	---------

Over 3,300,001 BTU	\$25.00
--------------------	---------

Plumbing Permit Fees

Base Permit Fee	\$45.00
-----------------	---------

Reinspection Fee	\$50.00
------------------	---------

Each Plumbing Fixture	\$5.00
-----------------------	--------

Floor Drain or Trap	\$12.00
---------------------	---------

Water Heater	\$6.00
--------------	--------

Installation/Repairs of Water Piping	\$12.00
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Repair/alt. of Drainage or Vent Piping	\$12.00
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Vacuum Breakers or Backflow Device	
------------------------------------	--

installed after install of piping	\$3.00
Irrigation/Sprinkler System	\$50.00
Grease Trap	\$25.00
Septic Tank	\$25.00

Gas Permit Fees

Base Permit Fee	\$45.00
Reinspection Fee	\$35.00
Gas Line Test	\$30.00
Gas Line Repair	\$10.00

Electrical Permit Fees

Base Permit Fee	\$45.00
Reinspection Fee	\$35.00
New Meter Service	\$25.00
Replace/Upgrade Meter Service	\$20.00
Reconnect (Residential)	\$35.00
Reconnect (Commercial)	\$60.00
Temporary Pole Fee	\$15.00
Working Clearance	\$35.00
Each Circuit	\$4.00
Each Motor	\$2.50
Each Sign or Decorative Light	\$2.50
Each 220 Volt Fixture	\$2.50
Each Outlet/Light Switch	\$0.40

RES-Check Compliance Report Fees

Review of RES-Check Compliance Report (Residential)	\$20.00
Review of RES-Check Compliance Report (Nonresidential)	\$50.00

Certificate of Occupancy Fee

Excludes Single-Family

0 -1,999 sq.ft.	\$75.00
2,000 – 4,999 sq.ft.	\$150.00
5,000 – 7,999 sq.ft.	\$250.00
Over 8,000 sq. ft.	\$400.00

Administrative Fees

Reprint of any Lost Permits	\$30.00
Lien Processing (any type)	\$85.00
Conditional Use Permit	\$200.00
Conditional Use Renewal	\$25.00
Rezone	\$300.00
Variance	\$250.00
Building Code Variances	\$100.00
Business Licenses	\$25.00
Subdivision Plat Fee	\$600, plus a \$30 per lot fee
Plat Filing Fee	\$100.00 (10 acres or less) \$150.00 (10 – 50 acres) \$250.00 (50+ acres)
Replat Filing Fee	\$250.00
Pre-Construction Conference	\$100.00
Materials Testing Fee	5% of construction cost
Development Inspection Fee	3% of construction cost
Multi-Page Questionnaire	\$150.00
Zoning Verification Letter	\$15.00

Health Inspections/Code Enforcement Fees

All Health Inspections fees are charged yearly and include quarterly inspections

Restaurants/Convenience/Grocery	\$250.00
Bars/Lounges	\$250.00
Meat and Seafood	\$250.00
Tortillerias	\$250.00
Day-Care and Group Homes	\$250.00
Mowing Fees per lot up to ½ acre	

plus \$50.00 every ½ acre or less there after \$250.00

Vendor Fees

Produce Vendors (3 months consecutively)	\$100.00
Holiday Vendors (1-14 days)	\$25.00 per day
Mobile Food Vendors (3 months consecutively)	\$100.00
Event Permit	\$75.00 + \$15.00 per booth
Benefit Fundraiser Permit	\$50.00
Nonprofit Fundraiser Permit	\$25.00 (Tax Exempt Certificate)
Carnival/Circus Operating Permit	\$500.00
Carnival Set-up Inspection Fee	\$100.00

Memo

To: Mayor and City Commission
From: Melissa Ramirez, DCM Executive Director
CC: Albert Perez, City Manager and File
Date: 4/12/2021
Re: Sponsorship Request Elida Fest 2022- Hotel/Motel Fund

Elida Fest 2022 will be held on Saturday, July 30, 2022 from 5PM-Midnight at the RGVLS. Performers include Siggno, Elida Reyna Y Avante, David Lee Garza, Los Texmaniacs & Los Morales. In addition to musical performances, there will be arts, crafts and food vendors. There will be a \$10 fee to enter.

Noches Bohemias, the production company organizing the event, is requesting a \$25K sponsorship. The sponsorship includes recognition on:

1. 5 digital Billboards
2. Commercials on Chanel 4 on 2 weeks leading up to the event
3. Advertisement on 102.1 Super Tejano including Elida Take over and a live radio remote
4. Social Media
5. Print

In addition, the City will receive 2 VIP tables, booth to promote the City, 2 minutes of stage time to promote the city and static ads on digital screens during the festival.

See sponsorship request for more information.



NOCHES BOHEMIAS

PRODUCTIONS

CITY OF MERCEDES

ELIDA FEST 2022

- Rio Grande Valley Stock Show Grounds
- July 30, 2022
- Arts & Crafts
- Food Vendors
- Musical Artist
- Siggno, Elida Reyna Y Avante, David Lee Garza, Los Texmaniacs, & Los Morales



ELIDA REYNA PHILANTHROPY

“It’s my way of giving back to the Rio Grande Valley and community for the support they have given me throughout my career.” Elida Reyna

- Elida Fest was created to help Elida Reyna realize her goal of giving back.
- Elida Reyna Music Scholarship
Music Scholarship is a donation of instruments to local schools and students in who wish to pursue music.
- Elida Reyna Academic Scholarship
Academic Scholarship is a financial award to assist recipients reach their potential with a higher education.



CO-SPONSOR

- 25,000 PACKAGE
- Inclusive ALL Advertising (IE: 5 Digital Bill Boards, TV, Radio, Print, Social Media, Banner on Main Stage
- Two (2) VIP Tables, One (1) Booth at Festival
- Two (2) Minutes of Stage Time to promote City of Mercedes
- Static Ads on Digital Screens during Festival

ADVERTISING BENEFITS

- 5 Digital Billboards Valley Wide
- 2 Digital Billboards San Antonio/Corpus
- 2 Weeks of TV Advertising
- 3 Weeks of Radio Commercials and mentions.
Interview at event with Live Remote.
- Presence in ALL Print Media
- Presence and Mention in ALL Social Media
- 2 Minutes of Stage Time
- Banner on Main Stage



COMMITMENT TO CITY OF MERCEDES

Noches Bohemias Productions LLC has taken a secondary application for the sole purpose of doing events in the City of Mercedes. NBP LLC is Officially Registered in the City of Mercedes to keep all Sales Tax Dollars locally.

Noches Bohemias Productions LLC will provide an insurance bond for the City of Mercedes to protect it against all liabilities from Elida Fest.

Will utilize and promote our Corporate Sponsor La Quinta by Wyndham in Mercedes as the Official Hotel for Elida Fest to also bring in Sales Tax Dollars locally.

We will require all our Vendors to register with the City of Mercedes to also facilitate Sales Tax monies for the City.



SPONSOR INFORMATION

Legal Business Name

EIN

Business Address

Phone Number

Billing Address

Contact Person

Email

Signature

Date

We look forward to doing business with you and creating a long-lasting business partnership!

Payments must be made before initial commitment commences or no later than 10 Business Days from Agreement

Please make payments via Checks Payable to Noches Bohemias Productions LLC or AMEX/VISA/MC

Questions or Concerns contact Rick Ramos at (956) 844-9210 or Lalo Reyna (956)

CREDIT CARD INFORMATION

Name as it appears on Card

Credit Card Number

CVV

Expiration Date

Business Address

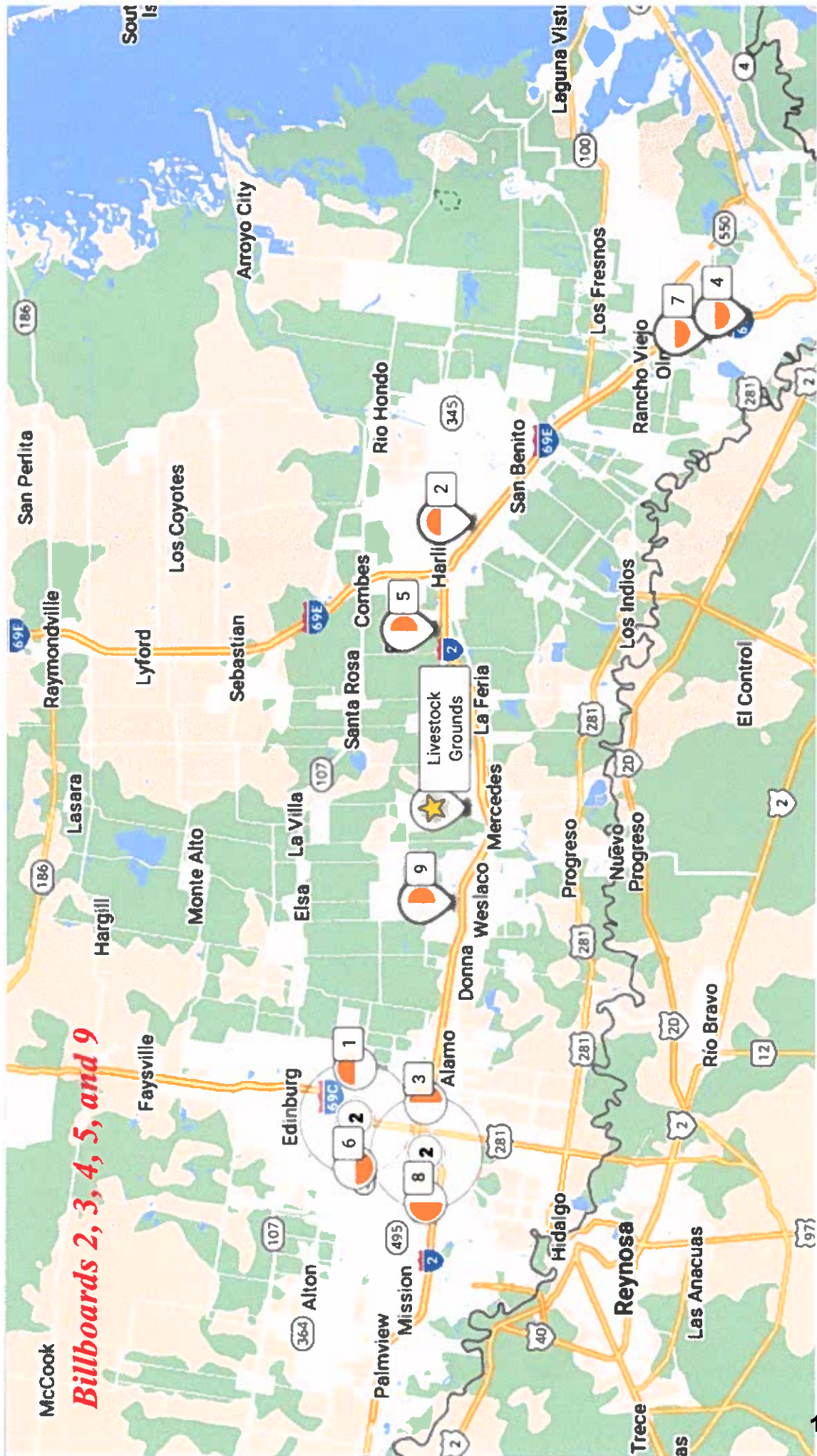
Phone Number

Signature

Date

All records are confidential





Billboards 2, 3, 4, 5, and 9

Management Item

DATE: June 7, 2022

FROM: Mary Salinas, KMB Afiliate Coordinador

ITEM: **Approval of New Appointment of Member to the Keep Mercedes Beautiful Committee**

BACKGROUND INFORMATION: The Keep Mercedes Beautiful Committee is established for the purpose of improving the quality of life in Mercedes being active in recycling efforts and overall cleaning up the City. The Keep Mercedes Beautiful Committee is composed of 9 members. Currently there are two (2) vacancies.

Staff has received an application submitted by Ms. Janet Schofield, whom is a Community Garden leader and a long-time resident of our beloved Mercedes.

ATTACHMENTS:

1. Board/Commission Application

DRAFT MOTION: Staff is recommending approval and respectfully requests City Commission to consider Ms. Janet Schofield's application to be appointed to fill the vacancy on the Keep Mercedes Beautiful Committee.



BOARD / COMMISSION APPLICATION

Name: Janet Schofield

Address: [REDACTED]

Telephone No. [REDACTED] Home: _____

Occupation: retired teacher

Interests:

(Check ☒ *all of interest*)

Housing Authority Board	_____
Planning & Zoning Board *	_____
Library Board	_____
Buildings & Standards Comm.	_____
Development Corporation	_____
Industrial Foundation	_____
Charter Review	_____
Special Boards/ Commissions	_____
Board of Adjustments	_____
Parks & Recreation	_____
Keep Mercedes Beautiful Comm	<u> x </u>
Historic Committee	_____

Reason for Interest:

I am interested in promoting activities that will help the citizens of Mercedes live in peace and harmony. I have been involved with the Mercedes Community Garden since its inception and am interested in promoting further activities of a similar nature I would like to organize activities and provide educational opportunities that would promote a positive community environment in Mercedes.

NOTE: Applications are kept on file for (6) months for consideration.

<u>Janet Schofield</u>	<u>8/26/2021</u>
Signature	Date

NOTE: Citizens interested in serving on city boards and commission are encouraged to fill out and return this form to City Hall. It is designed to assist the Mercedes City Commission in making board appointments. *For Planning & Zoning Board, applicants must be property owners.
THANK YOU!

DATE: June 7, 2022

FROM: Alberto Perez

ITEM: **Bids/Contracts**

Discussion and possible action to approve directing City Manager and Legal to renew the contract with Waste Connections.

BACKGROUND INFORMATION:

Waste Connections contract expires on 3/20/23. Waste Connections contract allows for Consumer Price Index adjustments to be made during the current contract. As the economic uncertainties continue to negatively impact inflation and increased fuel prices, this extension of the current contract will set the cost of trash collections to avoid being faced with additional potential increased rate adjustments.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: N/A

LEGAL REVIEW: Martie Garica-Vela

ATTACHMENTS: N/A

DRAFT MOTION: N/A



WASTE CONNECTIONS OF TEXAS - RGV
Connect with the Future®

Ph: (956) 316-0333 ♦ Fax: (956) 316-0113 ♦ 1222 N. Closner Blvd. ♦ Edinburg, Texas 78541

City of Mercedes
Attn: Mr. Alberto Perez
PO Box 837
Mercedes Tx, 78570

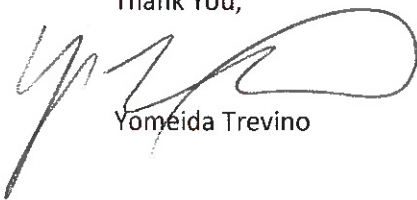
RE: Analyses of Commercial Adjustment and Franchise Fee

Mr. Perez,

As we had previously discussed attached is the analyses of our proposed changes for the City of Mercedes extension. This price proposal would only affect commercial customers. CPI-U rates are currently at about 8% but we implemented a 5% rate change. Franchise fee of 10% has also been implemented in the pricing. This change would bring in additional revenues for the city that would be paid out in a monthly manner along with the Roll Off franchise fees. The last change to pricing was in May 2020 and it was implemented on the commercial services and brush services only.

Please let me know if you have any questions regarding this information.

Thank You,



Yomeida Trevino



WASTE CONNECTIONS OF TEXAS - RGV
Connect with the Future®

Ph: (956) 316-0333 ♦ Fax: (956) 316-0113 ♦ 1222 N. Closner Blvd. ♦ Edinburg, Texas 78541

Current Rate Sheet

	Frequency					
	1	2	3	4	5	6
3 Yard	\$ 75.93	\$ 137.31	\$ 199.40	\$ 260.62	\$ 322.14	\$ 386.56
4 Yard	\$ 88.63	\$ 159.36	\$ 230.30	\$ 302.41	\$ 372.19	\$ 442.67
6 Yard	\$ 113.69	\$ 203.48	\$ 294.73	\$ 390.64	\$ 476.64	\$ 566.72
8Yard	\$ 137.61	\$ 241.77	\$ 357.98	\$ 468.00	\$ 575.28	\$ 683.33

New Rate with CPI/FF

	Frequency					
	1	2	3	4	5	6
3 Yard	\$ 89.29	\$ 161.48	\$ 234.49	\$ 306.49	\$ 378.84	\$ 454.59
4 Yard	\$ 104.23	\$ 187.41	\$ 270.83	\$ 355.63	\$ 437.70	\$ 520.58
6 Yard	\$ 133.70	\$ 239.29	\$ 346.60	\$ 459.39	\$ 560.53	\$ 666.46
8Yard	\$ 161.83	\$ 284.32	\$ 420.98	\$ 550.37	\$ 676.53	\$ 803.60

	Old Rate	New Rate
Comm Toter	\$ 11.51	\$ 13.54

Estimated Commercial Charges based on February 2022

	Current	New
Total	\$ 48,329.88	\$ 56,835.74
Total for 96 gallon commercial	\$ 2,912.03	\$ 3,425.62
Grand Total	\$ 51,241.91	\$ 60,261.36
	\$ 51,241.91	\$ 60,261.36
Franchise Fee Payout		\$ 6,026.14

FIRST AMENDMENT TO FRANCHISE AGREEMENT

This First Amendment to that certain Franchise Agreement for the Collection, Hauling and Disposal of Municipal Solid Waste and Construction and Demolition Waste (the "First Amendment") is entered into this ____ day of May, 2022, (the "First Amendment Effective Date"), by and between **THE CITY OF MERCEDES, TEXAS** ("City") and **LEALCO, INC.** ("Service Provider"). City and Service Provider shall be sometimes referred to collectively as the "Parties."

RECITALS:

WHEREAS, the City and Service Provider entered into that Franchise Agreement for the Collection, Hauling and Disposal of Municipal Solid Waste and Construction and Demolition Waste dated May 1, 2020 (the "Agreement");

WHEREAS, the Parties desire to amend the Agreement as further described herein.

AGREEMENT:

NOW, THEREFORE, and in consideration of these premises and such other lawful consideration, the receipt and sufficiency of which each of the parties hereto acknowledge, the parties agree as follows:

1. Term. Upon the First Amendment Effective Date of this First Amendment, the first sentence of Section 12 of the Agreement shall be deleted in its entirety and replaced with the following:

"The term of this Agreement shall commence on April 1, 2020 and shall conclude on March 31, 2026 (the "Term")."

2. Rates. Effective as of July 1, 2022, Exhibit "A" of the Agreement shall be deleted in its entirety and replaced with the Exhibit "A" attached hereto to this First Amendment.

3. Rate Adjustment. Effective as of July 1, 2022, the first sentence of Section 9 of the Agreement shall be deleted in its entirety and replaced with the following:

"Beginning on January 1, 2024, and every subsequent January 1 for the remainder of the Term, the Service Provider may request an increase or decrease in the rates set forth in Section 9 hereof in accordance with CPI-U."

4. Rates and Fees. Effective as of July 1, 2022, the second sentence of Section 9 of the Agreement shall be deleted in its entirety and replaced with the following:

"The City shall be entitled to a franchise fee of ten (10%) percent (the "Franchise Fee") paid out to the City within thirty (30) days following the end of a month for all Roll Off revenue collected by Service Provider from Roll Off hauls and Commercial Units inside the City limits."

5. Reaffirmation. The Parties hereby reaffirm their agreement with all the terms and provisions of the Agreement as amended by this First Amendment.

6. Entire Agreement. The Agreement and this First Amendment represents the entire agreement among the Parties with respect to the matters that are the subject hereof

7. Counterparts; Facsimile Signatures. This First Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which shall collectively constitute one and the same instrument representing this First Amendment between the parties hereto, and it shall not be necessary for the proof of this First Amendment that any party produce or account for more than one such counterpart. Facsimile signatures shall be given the same force and effect as original signatures and shall be treated for all purposes and intents as original signatures.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the First Amendment Effective Date.

LEALCO, INC.

By: _____
Name: _____
Title: _____
Date: _____

CITY OF MERCEDES, TEXAS

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM AND CONTENT:

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A –RATES

A. Residential Automated collection & disposal with once a week pick-up:

1 container \$7.43 2nd Container \$11.51 3rd Container \$15.59
 4th container \$19.67 5th Container \$23.73

B. Commercial Automated collection & disposal 96 gallon:

\$13.54 PER CONTAINER

C. Commercial Dumpster Bins:

	Frequency					
	1	2	3	4	5	6
3 Yard	\$ 89.29	\$ 161.48	\$ 234.49	\$ 306.49	\$ 378.84	\$ 454.59
4 Yard	\$ 104.23	\$ 187.41	\$ 270.83	\$ 355.63	\$ 437.70	\$ 520.58
6 Yard	\$ 133.70	\$ 239.29	\$ 346.60	\$ 459.39	\$ 560.53	\$ 666.46
8Yard	\$ 161.83	\$ 284.32	\$ 420.98	\$ 550.37	\$ 676.53	\$ 803.60

D. Brush Collection and disposal with once a month (front of curb) pick-up:

Residential \$ 2.70 Commercial: \$4.03

Schedule 6.B

Contractor will provide to the City of Mercedes, free of charge, the following:

Three (3) roll-off containers at the Citizens Collection Site (CCS) to be picked-up and rotated out upon fill-up at no cost.

Four (4) roll-off containers at Public Works; on a monthly basis, the first 6 full loads shall be free of charge; however, the 7th+ roll off picked-up shall be billed according to the Contractor's typical rate.

One (1) 4 yard dumpster bin at the City Hall/Library parking lot.

Two (2) 8 yard dumpster bins at the HEB Park.

One (1) 8 yard dumpster bin at the Dome Shelter

One (1) 8 yard dumpster bin at the Rec Center (Collier Park)

and RESERVED one (1) 4 yard dumpster bin at the evolving Mercedes Sports Complex to be activated in 2020.

One (1) 96 gallon container at the Fire Department

Two (2) 96 gallon containers at the Police Department.

Contractor will provide, at no cost, a monthly citywide residential tire pick-up effort for the term of the Contract. (NOTE: maximum of 4 tires per household)