

MERCEDES CITY COMMISSION  
REGULAR MEETING  
AUGUST 20, 2013 -6:00 P.M.  
MERCEDES CITY HALL - COMMISSION CHAMBERS

<b>MEMBERS PRESENT:</b>	Henry Hinojosa	Mayor
	Jose M. Gomez	Mayor Pro-Tem
	James Howard Wade, Jr.	Commissioner
	Ruben Guajardo	Commissioner
	Rodolfo Z. Rodriguez	Commissioner
	Ricardo Garcia	City Manager
	Juan Molina	City Attorney

**MEMBERS ABSENT:** none

Staff: Michelle Leftwich, Amanda Morales, Marisol Vidales, Jesse Villarreal, Olga Maldonado, and Tony Aguilar.

**1.) CALL MEETING TO ORDER.**

Mayor Hinojosa called the meeting to order at 6:00 PM.

**2.) ESTABLISH QUORUM.**

A Quorum of the Commission was present.

**3.) INVOCATION.**

Commissioner Gomez made the invocation.

**4.) PLEDGE OF ALLEGIANCE.**

Commissioner Rodriguez led the pledge of allegiance.

**5.) OPEN FORUM-**

David Garza addressed the commission regarding the progress being made on Mr. Vera's home and asked that the capital improvement fee be removed from water bills.

Petra Vidales played an audio clip from and spoke about a seminar she had attended. She also spoke against the proposed annexation of several tracts of land.

Daniel Diaz of LUPE spoke about some of his organization's work in the community.

**6.) CONSENT AGENDA (ORDINANCE NO. 98-21):**

**A.) APPROVAL OF MINUTES FOR CITY COMMISSION MEETING (S) HELD AUGUST 6, 2013.**

**B.) SECOND AND FINAL READING OF ORDINANCE NO. 2013-12 REPEALING ORDINANCE NO. 2012-17 IN ITS ENTIRETY AND INCORPORATING REGULATIONS FOR TREATMENT OF LIVESTOCK AND DOMESTIC AND WILD ANIMALS AND FOWL. C.) SECOND AND FINAL READING OF ORDINANCE NO. 2013-13 - ABANDONMENT OF UNUSED SECTION OF RIGHT-OF-WAY ON STARR STREET BETWEEN ILLINOIS A VENUE AND BASELINE ROAD, RETAINING AN EASEMENT FOR THE EXISTING SEWER LINE. D.) APPROVAL OF CHANGE ORDER TO CONTRACT WITH CLORE CONSTRUCTION, LLC. (#2013/08/20A) E.) APPROVAL OF CONTACT WITH BASKETSFULL (#20 13/08/20B). F.) REQUEST BY SON RISE WORSHIP FOR USE OF CIVIC CENTER PAVILION ON AUGUST 17<sup>TH</sup>. G.) REQUEST APPROVAL OF LEASE AGREEMENT WITH MERCEDES YOUTH SPORTS (PONY LEAGUE) - (#20 13/08/20E).**

Commissioner Guajardo made a motion to approve all items under Consent Agenda as presented. The motion was seconded by Commissioner Rodriguez and passed unanimously.

**7.) FIRST PUBLIC HEARING TO SOLICIT COMMENTS REGARDING THE PROPOSED ANNEXATION OF THREE TRACTS OF LAND DESCRIBED AS FOLLOWS:**

**TRACT ONE: BEING A 558.61 ACRES TRACT OF LAND COMPRISED OF FARM TRACTS 1004, 1005, 1015, 1016, 1017, 1027, 1029, 1090, 1091, 1092, 1093, 1094, 1140 OUT OF THE WEST AND ADAMS TRACTS, ACCORDING TO VOLUME 2, PAGES 34-37, MAP RECORDS OF HIDALGO COUNTY, TEXAS, AND LOTS 3, 4, 5, 6, 7, 10, 11, 12, 13, 14 AND 15, BLOCK 12, OUT OF THE SOUTH CAMPACUAS ADDITION TO THE CAPISALLO DISTRICT OF THE**

**LAND OF THE AMERICAN RIO GRANDE LAND AND IRRIGATION COMPANY, ACCORDING TO VOLUME 1, PAGE 1, MAP RECORDS OF HIDALGO COUNTY, TEXAS BOUNDED ON THE NORTH SIDE BY MILE 6 NORTH, THE CURRENT CITY LIMITS OF MERCEDES ON THE EAST, SOUTH TO THE LEVEE AND MILE 3 ON THE WEST.**

**TRACT TWO: BEING A 322.90 ACRES TRACT OF LAND COMPRISED OF FARM TRACTS 1023, 1024, 1025, 1034, 1035, 1036 AND PART OF 1099, AND 1100 OUT OF THE WEST AND ADAMS TRACTS, ACCORDING TO VOLUME 2, PAGES 34-37, MAP RECORDS OF HIDALGO COUNTY, TEXAS ALSO ALL OR PARTS OF LOTS 6, 11, AND 14, BLOCK 113, ALL OR PARTS OF LOTS 6, 11, AND 14, BLOCK 114, OUT OF THE CAMPACUAS ADDITION TO THE CAPISALLO DISTRICT OF THE LAND OF THE AMERICAN RIO GRANDE LAND AND IRRIGATION COMPANY, ACCORDING TO VOLUME 1, PAGE 2, MAP RECORDS OF HIDALGO COUNTY, TEXAS BOUNDED ON THE NORTH BY MILE 8 NORTH, MILE 2 ½ WEST ON THE EAST, MILE 6 NORTH ON THE SOUTH, AND MILE 2 ¾ WEST ON THE WEST.**

**TRACT THREE: BEING A 669.26 ACRES TRACT OF LAND COMPRISED OF FARM TRACTS, 1057, 1058, 1059, AND 1060, OUT OF THE WEST AND ADAMS TRACTS, ACCORDING TO VOLUME 2, PAGES 34-37, MAP RECORDS OF HIDALGO COUNTY, TEXAS, ALL OR PART OF LOT 3, BLOCK 101, ALL OR PARTS OF LOTS 4,5, AND 12, BLOCK 102, ALL PARTS OF LOTS 1 AND 2 BLOCK 114, ALL OR PARTS OF LOTS 7,8,9, 10, 15 AND 16, BLOCK 115, ALL OR PARTS OF LOTS 6, 11, 14, 15 AND 16, BLOCK 116, OUT OF THE CAMPACUAS ADDITION TO THE CAPISALLO DISTRICT OF THE LAND OF THE AMERICAN RIO GRANDE LAND AND IRRIGATION COMPANY, ACCORDING TO VOLUME 1, PAGE 2, MAP RECORDS OF HIDALGO COUNTY, TEXAS BOUNDED ON THE NORTH BY MILE 10 NORTH, SOUTH TO MILE 9 ¼ MILE NORTH THEN EAST TO MILE 1 ¾ WEST SOUTH TO MILE 8 ¼ NORTH THEN WEST TO MILE 2 WEST, SOUTH TO MILE 7 ¾ MILE NORTH WEST TO MILE 2 ½ WEST NORTH TO MILE 8 ¾ NORTH THEN EAST TO MILE 2 WEST, NORTH TO MILE 9 NORTH THEN WEST TO MILE 2 ¾ WEST THEN NORTH TO MILE 10 NORTH.**

Mayor Hinojosa opened the Public Hearing at 6:20 PM. Bill Swinea, Cosme Ramos, Lauro Saldana, and Fred Jones all own property in the area proposed for annexation and spoke against the annexation. They have concerns about the increase in taxes they will be responsible for and asked what City services they would be receiving upon annexation. David Garza asked that the city repay taxes to anyone that was annexed if they did not receive city utilities within five years of annexation. Petra Vidales shared her experience of being annexed. Jose Perez asked that notices for City matters be published in a different newspaper. City Manager Ricardo Garcia clarified that taxes collected by the city do not go towards utility service; they are used for police, fire and other city services. There were also questions about residents having to change their addresses after being annexed. Assistant City Manager Michelle Leftwich responded that that would have to be coordinated with 911. Mayor Hinojosa closed the public hearing at 6:54 PM.

**8.) DISCUSSION AND POSSIBLE ACTION OF RESOLUTION #2013-08 CONCERNING STREET LIGHTING IN THE RURAL AREAS.**

Commissioner Rodriguez made a motion to approve Resolution #2013-08 concerning Street lighting in the rural areas. Commissioner Guajardo seconded the motion and it passed unanimously.

**9.) PRESENTATION OF GRANT MANAGEMENT SYSTEM BY ECIVIS.**

Corey Coll of E-Civis made a presentation regarding his company's grant management services. There was no action taken during this item.

**10.) PRESENTATION OF 2013 EFFECTIVE TAX RATE AND DISCUSSION AND POSSIBLE ACTION TO PLACE A PROPOSAL TO ADOPT THE TAX RATE ON A FUTURE AGENDA.**

At a recent budget workshop the Commission decided to reduce the tax rate to .775 from .785. Finance Director Antonio Aguilar recommended using this rate going forward because the entire proposed budget was created using this a tax rate of .775. The effective tax rate and budget will have to be officially approved at another meeting in the future. Commissioner Rodriguez made a motion to approve adopting the tax rate on a future agenda. Commissioner Guajardo seconded the motion and it passed unanimously.

**11.) DISCUSSION AND POSSIBLE ACTION TO APPROVE ABANDONMENT OF 10' UTILITY EASEMENT BETWEEN LOTS 3007 AND 3008 OF GOLF COURSE ROAD SUBDIVISION.**

Commissioner Rodriguez made a motion to approve the abandonment of a ten foot utility easement between lots 3007 and 3008 of Golf Course road Subdivision. The motion was seconded by Commissioner Guajardo and passed unanimously.

**12.) DISCUSSION AND POSSIBLE ACTION TO APPROVE ABANDONMENT OF 10' UTILITY EASEMENT BETWEEN LOTS 3011 AND 3012 OF GOLF COURSE ROAD SUBDIVISION.**

Commissioner Rodriguez made a motion to approve the abandonment of a ten foot utility easement between lots 3011 and 3012 of Golf Course Road Subdivision. The motion was seconded by Commissioner Guajardo and passed unanimously.

**13.) DISCUSSION AND POSSIBLE ACTION TO APPROVE FINANCE METHOD FOR PREVIOUSLY APPROVED WATER METER REPLACEMENT PROGRAM.**

The city has some money in a restricted account that can only be used for projects such as this and staff is recommending that the \$313,078.57 be used to make the first four semi-annual payments. There were two proposals received for financing. One is traditional certificates of obligation through Stephens, Inc. Public Finance. This option would incur legal and closing costs and has a variable interest rate that starts at 1% and ends at 4%. The other option is a tax-exempt equipment lease/purchase finance program through Green Campus Partners. This option would be at 3.49% interest for 15 years. Commissioner Rodriguez made a motion to approve the proposal from Green Campus Partners as the finance method for previously approved water meter replacement program. The motion was seconded by Commissioner Guajardo and passed unanimously.

**14.) DISCUSSION AND POSSIBLE ACTION ON APPOINTMENT OF MEMBER AND ALTERNATE TO AMIGOS DEL VALLE BOARD OF DIRECTOR. (#2013/08/20C).**

Commissioner Guajardo made a motion to appoint Commissioner Rodriguez as member and Mayor Pro-Tem Gomez as alternate to the Amigos Del Valle Board of Directors (#2012.08/20C). The motion was seconded by Commissioner Wade and passed unanimously.

**15.) DISCUSSION AND POSSIBLE ACTION OF FIRST READING OF ORDINANCE NO. 2013-14 ADOPTING SETTLEMENT OF TEXAS GAS SERVICE RATES.**

Commissioner Rodriguez made a motion to approve Ordinance No. 2013-14 adopting settlement of Texas Gas Service rates. The motion was seconded by Commissioner Guajardo and passed unanimously.

**16.) DISCUSSION AND POSSIBLE ACTION OF ENGAGEMENT OF LANGLEY & BANACK AS SPECIAL LEGAL COUNSEL. (#2013/08/20D).**

Special Legal Counsel will work only on specified Land use issues for the City. Commissioner Rodriguez made a motion to approve the engagement of Lagley & Banack as Special Legal Counsel. Commissioner Guajardo seconded the motion and it passed unanimously.

**17.) PROPOSALS SUBMITTED BY AUDITORS FOR AUDITING SERVICES.**

Commissioner Guajardo made a motion to table this item. The motion was seconded by commissioner Wade and passed unanimously.

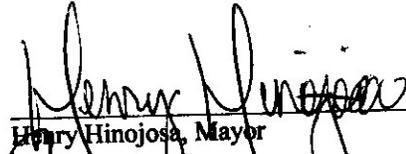
Mayor Hinojosa called the meeting into Executive Session at 7:21 PM

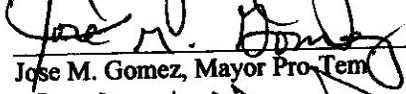
**18.) EXECUTIVE SESSION:**

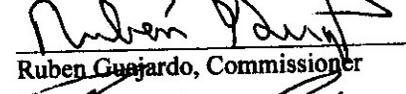
- DISCUSSION REGARDING DUTIES AND RESPONSIBILITIES OF THE CITY MANAGER.
- TEXAS GOVERNMENT CODE, SECTION 551.074 - PERSONNEL.
- DISCUSSION REGARDING PERSONNEL. - TEXAS GOVERNMENT CODE, SECTION 551.074 - PERSONNEL.
- DISCUSSION REGARDING RETAIL PROJECT - ECONOMIC DEVELOPMENT. - SECTION 551.087, TEXAS GOVERNMENT CODES ANNOTATED - ECONOMIC DEVELOPMENT.

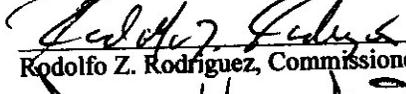
**19.) DISCUSSION AND POSSIBLE ACTION REGARDING ITEM(S) DISCUSSED IN EXECUTIVE SESSION.**

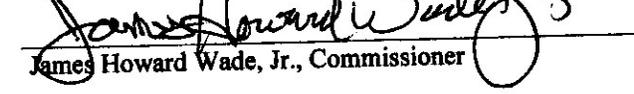
**20.) ADJOURN.**

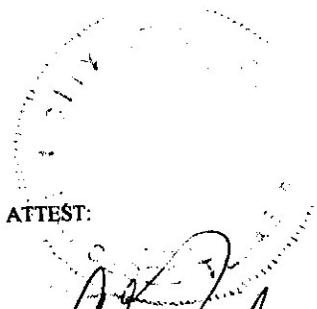
  
Henry Hinojosa, Mayor

  
Jose M. Gomez, Mayor Pro-Tem

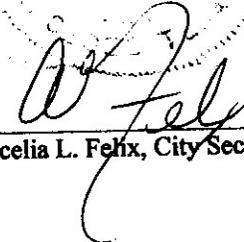
  
Ruben Guajardo, Commissioner

  
Rodolfo Z. Rodriguez, Commissioner

  
James Howard Wade, Jr., Commissioner



ATTEST:

  
Arcelia L. Felix, City Secretary