



Mayor Oscar D. Montoya
Mayor Pro-Tem Joe Martinez
Commissioner Armando Garcia

Commissioner Jacob Howell
Commissioner Ruben Saldana
City Manager Alberto Perez

MERCEDES CITY COMMISSION
REGULAR MEETING
AUGUST 2, 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. **Presentations:**
 - a. Recognition of Dr. Sammy Garcia, NASA Title
 - b. Rock N Boots Presentation
 - c. Legislative Update by Congresswoman Mayra Flores
7. **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 July 5, 2022 & July 19, 2022.
 - b. Second and final reading of Ordinance No. 2022-15 to approve the TGS RGC COSA.
8. **Ordinance/Resolutions:** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Public Hearing regarding the Water Conservation Plan.
 - i. Approval of Resolution No. 2022-11 for the Water Conservation Plan
 - b. Public Hearing regarding the Drought Contingency Plan
 - i. Approval of Resolution No. 2022-12 for the Drought Contingency Plan.
9. **Management Item(s):** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Chamber of Commerce request for funds for Texas Street Festival.
 - b. Selecting a member to the Amigos Del Valle Board of Representatives.
 - c. Approval of grant reimbursement for historically designated property 304 S. Texas Ave. (Library)
 - d. Approval of Travel expenses for KMB committee members
10. **Bids/Contracts:** *Present, Discuss, Consider, and Possibly Take Action Regarding:*
 - a. Memorandum of Understanding between Region One Educational Service Center and the City of Mercedes on behalf of the Dr. Hector P. Garcia Memorial Library. (Library)
 - b. Approval to secure bids for Audit Services for FYE 2022. (Finance)
11. **Executive Session:** *Chapter 551, Texas Government Code, Section 551.071 (Consultation with Attorney), Section 551.072 (Deliberation regarding Real Property), Section 551.074 (Personnel Matters) and Section 551.087 (Economic Development)*
 - a. Consultation with Attorney regarding water meters – Section 551.071
 - b. Consultation with Attorney regarding contracts – Section 551.071

12. Open Session: *Discuss, Consider, and Possibly Take Action Regarding*

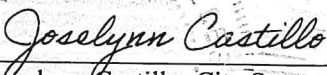
- a. Item A from Executive Session
- b. Item B from Executive Session

13. Adjournment

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a ***Regular Meeting*** on Tuesday, August 2, 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 29TH DAY OF JULY, 2022.

ATTEST:



Joselynn Castillo, City Secretary
Time of Posting: 7:35P.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
REGULAR MEETING
JULY 5, 2022 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Joe Martinez	Mayor Pro-Tem (webex)
	Jacob Howell	Commissioner
	Ruben Saldana	Commissioner
	Armando Garcia	Commissioner

MEMBERS ABSENT:	Oscar D. Montoya Sr.	Mayor
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STAFF PRESENT:	Alberto Perez	City Manager
	Martie Garcia-Vela	City Attorney
	Javier Ramirez	Asst. City Manager
	Kristine Longoria	Human Resources
	Ervin Vilchis	IT Assistant
	Meredith Hernandez	Chief Accountant
	Joaquin Hernandez	Public Works Director
	Blanca Sanchez	Interim Police Chief

OTHERS PRESENT: Axel Vallejo, Brianna Casares, Isaias Rodriguez, Juan Vega Jr.

1. CALL MEETING TO ORDER.

Mayor Pro-Tem Martinez 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 Montoya was absent.

3. INVOCATION

Commissioner Saldana said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Howell led in the pledge of allegiance.

5. OPEN FORUM

- Mr. Ray Marroquin recognized his Mercedes Pony Team, the Tigers, for advancing in area for a chance to play at the World Series. The Commission presented a recognition certificate to the Tigers Pony Team.

6. PRESENTATIONS:

a. Recognition of Prairie View A&M Cooperative Extension Program & BID Program Graduates.

Commissioner Saldana and Commissioner Garcia presented certificates to Megan Rodriguez and Rena Castillo for their coordination and development of the Prairie View A&M Cooperation Extension program and the Bid Program Graduates.

b. Presentation of Workers Compensation Dividend Check by Montalvo Insurance Agency.

Mr. Ramon Montalvo presented the Dividend Check to the City for the loss record decreasing from the previous year.

c. Presentation by BML of City of Mercedes Financial Audit for FY 2020-2021.

Mr. Ricky Longoria presented to discuss the audit from September 30, 2021. He confirmed his clean opinion on the audit. He stated there were 63 journal entries that needed to improve. There is an action plan for the findings.

7. CONSENT AGENDA:

- a. **Approval of Minutes for Meeting(s) held June 9, 2022 & June 21, 2022.**
- b. **Second and final reading of Ordinance #2022-10 to rezone Grosshauser's Subdivision Lot 5 and 6, and the East 3 Acres of Lot 4 from Class "N" Newly Annexed to Class "C-1" Apartment District; Applicant Tiki Land Company.**
Commissioner Saldana motioned to approve items A and B. Commissioner Garcia seconded. Upon a called vote, the motion passed 4-0.

8. ORDINANCE/RESOLUTIONS: *Present, Discuss, Consider, and Possibly Take Action Regarding:*

- a. **First reading of Ordinance No. 2022-11 approving the solid waste fees**
- b. **First reading of Ordinance No. 2022-12 regarding the City's Brush Services**
- c. **First reading of Ordinance No. 2022-13 amending Ordinance 2022-08 updating the re-read fee, disconnect/reconnect fee and establishing payment arrangements.**
- d. **First reading of Ordinance No. 2022-14 appointing the members to the TIRZ Board of Directors.**

Commissioner Howell motioned to approve all items 8A to 8D. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

9. MANAGEMENT ITEM(S): *Present, Discuss, Consider, and Possibly Take Action Regarding:*

- a. **Discussion and Possible Action to approve funds for the purchase of benches to be donated and placed at the resting place of Uvalde Victims.**
Commissioner Howell made a motion to research for assistance and funds for the benches. Commissioner Garcia seconded. After clarification, Ms. Melissa Serrano stated the benches are \$2,000 each plus \$700 for freight. She stated she would like to purchase 22 benches. Upon a called vote, the motion carried.
- b. **Discussion and Approval to direct City Manager to research and provide estimates for the construction of a water splash park.**
Commissioner Howell motioned to direct the City Manager to research for funds for the splash park. Commissioner Saldana seconded. Commissioner Garcia stated that HEB may be able to assist due to the park being named after them. Upon a called vote, the motion carried.
- c. **Discussion and Approval to set City and Departmental Goals with FY23 Budget.**
Commissioner Saldana is asking for the departments to set goals for their department. Commissioner Howell motioned to approve. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

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

- a. **Contract Renewal for Higher Education Training and Workforce Development Skills for Mercedes Residents.**
Commissioner Howell motioned to postpone this item. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.
- b. **Interlocal Cooperation Agreement with Hidalgo County Precinct 1 for the Mile 8 North Road from FM 491 to Mile 2 East.**
This item was moot.
- c. **Request to Re-Advertise for Bids for the City Hall TPO Roof.**

Mr. Hernandez presented that the amount to replace the roof was over budget and stated there were some corrections to the specs. He is requesting to rebid the roof repairs.

Commissioner Howell motioned to approve. Commissioner Garcia seconded. Upon a called vote, the motion carried.

Mayor Pro-Tem Martinez called the meeting into executive session 7:46 p.m.

11. EXECUTIVE SESSION:

- a. **Discussion regarding real property Project X – Section 551.072**
- b. **Discussion regarding real property Project Y – Section 551.072**
- c. **Consultation with Attorney regarding real property de-annexation – Section 551.071 & 551.072**
- d. **Consultation with Attorney regarding Encroachment on City Right-of-Way Section 551.072**

Mayor Pro-Tem Martinez called the meeting back to order at 8:24 p.m.

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

At this time, the commission revisited items 8A, 8B, 8C, and 8D. Commissioner Howell made a motion to approve items 8A through 8D. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

- a. **Directing City Manager to proceed with making an offer to procure property for Project X.**

Commissioner Howell motioned to direct city manager to negotiate for property. Commissioner Saldana seconded. Upon a called vote, the motion carried.

- b. **Directing City Manager to proceed with securing appraisal and negotiating sales price for Project Y.**

Commissioner Garcia made a motion to proceed securing appraisal negotiating sales price for Project Y as discussed in executive session. Commissioner Howell seconded. Upon a called vote, the motion carried.

ADDENDUM:

- c. **Discussion and Possible Action regarding Item C of Executive Session.**

Commissioner Howell made a motion to proceed as discussed in executive session. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

- d. **Discussion and Possible Action regarding Item D of Executive Session.**

Commissioner Saldana moved to direct the City manager to negotiate on the encroachment as discussed in executive session. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

13. ADJOURNMENT

Commissioner Saldana motioned to adjourn the meeting. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:27 p.m.

**MERCEDES CITY COMMISSION
REGULAR MEETING
JULY 19, 2022 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr.	Mayor
	Joe Martinez	Mayor Pro-Tem(webex)
	Jacob Howell	Commissioner
	Ruben Saldana	Commissioner
	Armando Garcia	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
	Nereida Perez	Finance Director
	Joaquin Hernandez	Public Works Director
	Richard Morin	Recreation Direction
	Javier Campos	Fire Chief

OTHERS PRESENT: Axel Vallejo, Brianna Casares, Francisco Sanchez, Isaias Rodriguez, Orlando Diaz, Jose Hernandez , Janel Caso (Perdue), Romeo Cantu (Perdue), and Hiram Gutierrez (Perdue)

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 present. Mayor Pro-Tem Martinez logged into webex during open forum, which constitutes a full commission.

3. INVOCATION

Commissioner Saldana said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Howell led in the pledge of allegiance.

5. OPEN FORUM

- Mr. Ramon Mejia addressed the Commission about the old swimming pool had a double tower to dive from. If the children can enjoy heaven why can't they enjoy the swimming pool. The lifeguard's position should have been open since June. Did the City plan to open the swimming pool and budget for it? Why didn't Alberto Perez do something to open the swimming pool. The swimming pool is important to help the children exercise and socialize. It helps relieve stress. Mr. Mejia stated the mayor can open the swimming pool.
- Mr. Leonel Benavidez addressed the Commission about the audit of 2022. There was 7 findings and several corrections to be made. The public wants to see where the leaders are. Looking back at 2020 there was 5 findings and 26 corrective adjustments and currently 7 findings and 63 corrective measures. EMS issue should not be a problem in years to come, the issue has to do with accountability for the transactions. There are concerning issues and

more findings with this commission than in prior years. A retired teacher of Mercedes was seen attending the sonic opening and the gentleman was denied teaching constitutional rights in the City of Mercedes. Mr. Benavidez expressed his concern with COVID precautions.

6. PRESENTATIONS:

a. Perdue Property Tax Collections Report for FY 21-22

Mr. Hiram Gutierrez presented to the Commission have had 1,210 phone calls, mailed 1,457 letters, 304 address updates, 28 field inspections, and entered into 5 payment agreements. Mr. Gutierrez stated that if the efforts do not have the desired affect of payment, they enter into litigation, in which they have filed 25 petitions totaling \$100,256.43 in base tax and seven bankruptcies in the amount of \$18,197.02 in base tax. They have sold 3 properties in the amount of \$6,695.33 and struck-off one in the amount of \$8,741.41. The collections from October 2021 to June 2022 is \$277,767, \$180,979 in delinquent base and \$96,788 in penalties and interest, which is an increase of \$36,491 from the previous year. Collections in percentage has increased from 16.56% to 19.71% percent. Commissioner Howell asked for the percentage amount to bring in to the city. Mr. Gutierrez stated there is a high amount that can still be collected. Mr. Gutierrez stated he would provide Mr. Perez with the return mail amount. At a question, Mr. Gutierrez stated they look at the amount owed and the years of delinquency.

7. CONSENT AGENDA:

a. Second and final reading of Ordinance No. 2022-11 approving the solid waste fees

b. Second and final reading of Ordinance No. 2022-12 regarding the City's Brush Services

c. Second and final reading of Ordinance No. 2022-13 amending Ordinance 2022-08 updating he re-read fee, disconnect/reconnect fee and establishing payment arrangements.

d. Second and final reading of Ordinance No. 2022-14 appointing the members to the TIRZ Board of Directors.

e. Approval of 3rd Quarterly Investment Report.

Commissioner Saldana motioned to approve item a-d. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. Commissioner Garcia motioned to approve item 7E. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

8. CITY MANAGER COMMENTS:

a. Status report on Potholes and Street Repairs.

Mayor Pro-Tem Martinez and Commissioner Howell requested this item. Mr. Hernandez stated they have completed 178 work orders. Last FY there were a total of 108 work orders. There is a remaining budget of \$73,176. At a question about overlays and streets, Mr. Hernandez stated overlays need equipment to strip the street and the city does not have the equipment. Mr. Hernandez stated there are about 10 streets that are identified that need street repairs. There was discussion regarding increasing the budget for streets. At a question, Mr. Hernandez stated that about 95% of the work orders are coming in through the 311 app. In the past 30 days they have received 36 work orders for potholes from the 311 app. Commissioner Garcia would like a 5-year plan to work on the streets.

9. ORDINANCE/RESOLUTIONS: *Present, Discuss, Consider, and Possibly Take Action Regarding:*

a. Ordinance No. 2022-15 to approve the TGS RGS COSA

Mayor Pro-Tem Martinez made a motion to approve. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously. Mr. Perez stated there was a system-

wide increase for gas and this ordinance is for cities to approve a lower negotiated price than the original amount increased. The settlement equates to a \$967,040 reduction to the Company's request.

10. MANAGEMENT ITEM(S): *Present, Discuss, Consider, and Possibly Take Action Regarding:*

a. Travel Request Approval for Commissioner Saldana and Commissioner Garcia to attend the Newly Elected Officials Conference.

Mayor Pro-Tem Martinez made a motion to approve. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously. Mr. Perez stated the classes are required for newly elected officials.

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

a. 2023 Renewal Agreement with Lonestar Logos Management.

Lonestar logos are signs that are set up of the expressway that advertise the restaurants and hotels nearby. Commissioner Howell made a motion to approve. Mayor Pro-Tem Martinez seconded. Upon a called vote, the motion passed unanimously.

b. Renewal and Local Match for Valley Metro Bus Service for FY 2023.

Commissioner Howell motioned to approve. Mayor Pro-Tem Martinez seconded. Upon a called vote, the motion passed unanimously.

c. POSTPONED: Contract Renewal for Higher Education Training for Workforce Development Skills for Mercedes Residents.

Ms. Irma Garcia addressed the Commission and thanked the City for the partnership. Their goal is making training accessible, intensive case model and helping people move from poverty to middle class. They have served 10 Mercedes residents. Other entities refer the individuals to Mercedes VIDA. VIDA has been in existence since 1995. Ms. Maria a student at STC is doing the LVN program. She has been with VIDA since fall of 2021 and heard about them through STC. Commissioner Howell stated he is proud of her. She stated she has a counselor at VIDA and has Financial workshops on real world situations. She stated she is thankful for their support and introduced her three children who were in attendance. She is in her second level and this is the last week and will be going to her third level. There was discussion about the City's contribution amount. Helping one individual will cost about 5K, they help with tuition, books, uniforms and tools. Commissioner Howell motioned to approve in the amount of \$25K. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

12. DEPARTMENT MONTHLY REPORTS: Richard Morin informed the Commission about the programs. All programs are done at the dome, the only one at the recreation center is the pool. At a question, Mr. Morin stated there is a lifeguard shortage and city would need lifeguards to open the pool. Mr. Morin stated they have a certification class for becoming a lifeguard. Commissioner Howell asked about dog issues. Mr. Hernandez stated that this month they picked up 49 dogs.

ADDENDUM:

Item 8B – Continuing to search for more life guards to open the pool to the public more days out of the week. This item was moot due to the discussion under Department reports.

Item 12 – Library Department Monthly Report. No action required, included for the Commission to review. Commissioner Saldana commended Library Director on her monthly report and the level of details she includes.

Mayor Montoya called the meeting into executive session 7:46 p.m.

13. EXECUTIVE SESSION:

- a. Discussion regarding personnel matters with the City Manager – Section 551.074
- b. Consultation with Attorney to form a 501(C)(3) for museum; consider Fundraiser Event and liabilities – Section 551.071
- c. Consultation with Attorney regarding industrial waste processing operations in city limits – Section 551.071

Mayor Montoya called the meeting back to order at 9:48 p.m.

14. OPEN SESSION:

a. Item A from Executive Session

No action was taken on item A from executive session.

b. Item B from Executive Session

Commissioner Saldana moved to authorize the fundraising event as discussed in executive session. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

c. Item C from Executive Session

Commissioner Howell made a motion to approve subject to discussion in executive session. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

15. ADJOURNMENT

Mayor Montoya adjourned the meeting at 9:50 p.m.

ORDINANCE NO. 2022-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MERCEDES, TEXAS, (“CITY”) APPROVING A NEGOTIATED RESOLUTION BETWEEN THE CITY AND TEXAS GAS SERVICE (“TGS” OR “THE COMPANY”) REGARDING THE COMPANY’S APRIL 28, 2022 COST OF SERVICE ADJUSTMENT (“COSA”) FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING NEW TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; PROVIDING FOR THE RECOVERY OF THE CITY’S AND TGS’ REASONABLE AND NECESSARY RATE CASE EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY’S AND THE CITY’S LEGAL COUNSEL.

WHEREAS, the City of Mercedes, Texas (“City”) is a gas utility customer of Texas Gas Service (“TGS” or “the Company”), and a regulatory authority with an interest in the rates and charges of TGS; and

WHEREAS, pursuant to the terms of the agreement settling TGS’ 2017 Statement of Intent to increase rates, to which City was a signatory, the City and other municipalities within the Rio Grande Valley Service Area and TGS worked collaboratively to develop the Cost of Service Adjustment (“COSA”) tariff that allows for an expedited comprehensive rate review process; and

WHEREAS, on or about April 28, 2022, TGS filed with the City a COSA tariff seeking to increase natural gas rates to all customers residing in the City; and

WHEREAS, the Company requested a system-wide increase of \$3,717,040; and

WHEREAS, the City coordinated a review of TGS' COSA filing and designated attorneys and consultants to resolve issues in the Company's COSA filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by the City's rate expert concluded that TGS is able to justify an increase over current rates; and

WHEREAS, the City's attorney and consultant recommend that the City approve the Settlement Agreement reflecting increased revenues of \$2,750,000 on a system-wide basis; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated resolution reached by the City and are just, reasonable, and in the public interest; and

WHEREAS, the negotiated resolution of the Company's COSA filing and the resulting rates are, as a whole, in the public interest; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MERCEDES, TEXAS:

Section 1. That the City Council finds that the existing rates for natural gas service provided by TGS are unreasonable and the new tariffs implementing this Ordinance, which are attached hereto and incorporated herein as Attachment A, are just and reasonable and are hereby adopted.

Section 2. That a rate increase of \$2,750,000 on a system-wide basis is reasonable.

Section 3. That TGS shall reimburse the reasonable ratemaking expenses of the City in processing the Company's rate application.

Section 4. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 5. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 6. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 7. That the tariffs attached as Attachment A to this Ordinance shall become effective for meters read on and after July 27, 2022 consistent with the COSA tariff.

Section 9. That a copy of this Ordinance shall be sent to TGS, care of Stephanie Houle, 1301 South Mopac, Suite 400, Austin, Texas 78746, and to Thomas L. Brocato, Special Counsel to the City, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 19th day of July, 2022.

Oscar D. Montoya Sr., Mayor

ATTEST:

Joselynn Castillo, City Secretary

APPROVED AS TO FORM:

Martie Garcia-Vela, City Attorney

**RESOLUTION FOR ADOPTION OF A
WATER CONSERVATION PLAN**

RESOLUTION NO. 2019-10

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MERCEDES ADOPTING A
WATER CONSERVATION PLAN**

WHEREAS, Section 288.2 of the Texas Administrative Code and applicable rules of the Texas Commission on Environmental Quality require all public water supply systems in Texas to prepare a water conservation plan; and

WHEREAS, as authorized under law, and in the best interests of the customers of the City of Mercedes, the City Commission deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of water resources during drought and other water supply emergencies;

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF MERCEDES:

SECTION 1. That the Water Conservation Plan attached hereto and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the City of Mercedes.

SECTION 2. That the City Manager is hereby directed to implement, administer, and enforce
The Water Conservation Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

DULY PASSED BY THE COMMISSION MEMBERS OF THE CITY OF MERCEDES ON THIS
____ day of _____, 2022

APPROVED:

Oscar D. Montoya, Jr., Mayor,
City of Mercedes

ATTEST:



WATER CONSERVATION PLAN
FOR
THE CITY OF MERCEDES
WATER CCN #12811
PWS #1080007

AUGUST 2022

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101.0 **INTRODUCTION**

System Profile

The City of Mercedes (City) is a legally chartered city operating under the laws of the state of Texas in Hidalgo County. All powers of the City are vested in the City Commission which is composed of the Mayor and 4 Commissioners. Therefore, the City's operating policies, rates, tariffs and regulations are formulated and implemented by the City Commission. The City furnishes potable water and wastewater utility service within the city limits as described in the Certificates of Convenience and Necessity (CCN) No. 12811, issued by the Public Utility Commission of Texas.

The water system consists of one water treatment plant with a total capacity of 5.0 MGD which is supplied water from Hidalgo & Cameron Counties Irrigation District #9. The water system presently serves approximately 17,052 customers through 4,872 connections.

2.0 WATERCONSERVATIONPLAN

The purpose of the water conservation plan is to develop strategies to reduce withdrawal from a supply source, reduce loss or waste of water, improve the efficiency of use of water, increase recycle and reuse, and prevent pollution.

2.1: Specific, Quantified 5- & 10-Year Targets

To reduce the municipal use of 177 gallons per capita per day for the year of 2022 to 95 gallons per capita per day or less for the first 5 years beginning in their fiscal year 2022 from October to September. Also, to achieve a municipal use of 90 gallons per capita per day or less for the next 10 years beginning in the fiscal year 2023 from October to September. To reduce the unaccounted-for water loss from 18% to 10% by 2025.

2.2 : Metering Devices

All metering devices measuring the amount of water supplied by the City's four wells shall be maintained within an accuracy level of $\pm 5\%$ by conducting at a minimum annually accuracy checks by an independent contractor.

2.3 : Universal Metering

All water sold by the City is metered. The City shall maintain a program of universal metering of both retail customers and public users of water that includes testing, repair, and periodic meter replacement. Meters shall be calibrated to an accuracy level of $\pm 5\%$. The City maintains a program annually to pull, test, and replace any meters determined to be functioning outside these parameters. New meters (two inches and smaller in size) are bought according to the latest revision of "AWWA New Meter Standard for Cold-Water Meters" in order to specify all materials, design, manufacture, and testing of all meters. The manufacturer shall guarantee that all new meters will test at 98.1 to

101 percent at the “low flow” rate as designated by AWWA Standards Manual M-6 on a meter size basis. This ensures accurate and precise measurement of water diverted. Older meters that may be registering too high or too low shall be replaced as time permits in order to accurately account for water and lower any unaccounted-for water loss.

24 : Unaccounted-For Water Use

The City’s water staff shall visually inspect all transmission and distribution lines for leaks and check for illegal connections (unauthorized water usage) during their monthly meter reading duties. The City shall continue to monitor and report monthly to the City Commission the amount of unaccounted-for water on its monthly “Water Report.”

Some unaccounted-for water uses are authorized. Authorized losses, which are identified as “unaccounted-for” water, are flushing of the hydrants and over spilling of elevated tanks.

25 : Master Meter to Measure and Account for the Amount of Water

The City shall continue to monitor, measure and test the master meters on an annual basis on the amount of water diverted from the source of supply. Logs and records shall be kept on an annual basis and filed for recordkeeping.

26 : Continuing Public Education and Information

The City shall obtain and disseminate such information through a variety of avenues including but not limited to:

- Providing water conservation literature to new utility customers at the time they apply for new service, and to utility customers reporting high water use on a continuing basis.

- Provide consumer tips on water conservation using printed educational material such as monthly water bill inserts, brochures and activity books.

- Provide literature on landscaping and the use of native plants and grasses to reduce lawn water demands.

- New customers (including residential, industrial and commercial) shall be required to do the following:

 - Read and agree to provisions of the Water Conversation Plan so that customers understand the description and goals of the program;

 - Read information provided along with the Water Conversation Plan regarding water conserving plumbing devices and Xeriscape landscaping (a trademark for a method of landscaping that emphasizes water conservation in its use of drought-resistant plants).

The City shall also obtain video and radio public announcements on water conservation and materials from the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ) and make these available to their customers and the local media.

Public education shall continue to be used to raise awareness of other conservation measures available to the City customers.

2.7 : Increasing Block Water Rate Structure

The City shall continue its practice of charging an inclining increasing block rate which promotes water conservation. The tables (Appendix A) shows the monthly base rates and usage rates for all residential and commercial customers.

2.2 Raw Water Systems Operation Plan

The City owns and operates a reservoir at each of the plant premises that are fed water from the Rio Grande River by means of pumps located on the banks of the river. These reservoirs supply water to the water treatment plants.

2.3 : Enforcement Procedure and Plan Adoption

This water conservation plan shall be made a part of and included in the City's rules and regulations.

2.4 : Coordination with the Regional Water Planning Group

The service area of the City is located within the Rio Grande Regional Water Planning Group Region M and the City has provided a copy of this water conservation plan to its administrative agent, the Lower Rio Grande Valley Development Commission, 301 W. Railroad St., Weslaco, Texas 78596, to ensure consistency with the appropriate approved regional water plans.

2.5 : Plan Review and Update

This water conservation plan shall be reviewed and updated every five years based on an assessment of previous five-year or ten-year targets and any other new or updated information. The revised plan shall include an implementation report.

2.6 : Leak Detection and Repair

The City shall repair identified leaks on an as-needed basis and then conduct periodic checks of the repairs to ensure that they do not reoccur. The City has a strategy to detect and repair leaks by regular on-site testing and other acceptable methods. The City's meter readers are trained to observe the system on their route and identify leaks. The City's personnel shall look for and report evidence of leaks in the water distribution system. Areas of the water distribution system, in which numerous leaks and line breaks occur, shall be targeted for replacement as funds are available.

2.7 : Contract Requirements

The City shall require:

That each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements of the 30 Chapter TAC 288.5 in every

water contract entered into or renewed after official adoption of the water conservation plan, and including any contract extension.

That if the customer intends to resell the water, then the contract between the initial supplier and customer must provide that the contract for the resale of water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with applicable provisions of this chapter.

2.8 : Conservation Strategies

The City shall encourage businesses and homeowners to replace older water fixtures with low flow showerheads, faucet aerators, and toilet dams purchased before January 1, 1992, with the newer water efficient replacements. The City will also advocate the use of low demand water appliances instead of older high consumption devices.

APPENDIX “A”

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								
<u>Min. Charge - 0 Gallons</u>								
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
<u>Consumption Charge - K Gal</u>								
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								
<u>Min. Charge - 0 Gallons</u>								
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
<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	\$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								
Min. Charge - 0 Gallons								
5/8" & 3/4" Meter Sched OCS			\$19.48	\$19.93	\$20.38	\$20.83	\$21.28	\$21.73
Consumption Charge - K Gal								
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						
		Effective:	Effective:			
	Current	7/1/22	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						
		Effective:	Effective:			
	Current	7/1/22	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						
		Effective:	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>						
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

**RESOLUTION FOR ADOPTION OF A
DROUGHT CONTINGENCY PLAN**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MERCEDES ADOPTING A
DROUGHT CONTINGENCY PLAN**

WHEREAS, the City Commission recognizes that the amount of water available to the City of Mercedes and its water utility customers are limited and subject to depletion during periods of extended drought;

WHEREAS, the City Commission recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes;

WHEREAS, Section 11.1272 of the Texas Water Code and applicable rules of the Texas Commission on Environmental Quality require all public water supply systems in Texas to prepare a drought contingency plan; and

WHEREAS, as authorized under law, and in the best interests of the customers of the City of Mercedes, the City Commission deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of limited water supplies during drought and other water supply emergencies;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY MERCEDES:

SECTION 1. That the Drought Contingency Plan attached hereto and made part hereof for all purposes be, and the same is hereby, adopted as the official policy of the City of Mercedes.

SECTION 2. That the City Manager is hereby directed to implement, administer, and enforce the Drought Contingency Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

DULY PASSED BY THE CITY COMMISSION OF THE CITY OF MERCEDES
ON THIS _____ day of _____.

APPROVED:

Oscar D. Montoya, Jr., Mayor,
City of Mercedes



DROUGHT CONTINGENCY PLAN

FOR

THE CITY OF MERCEDES

400 S. OHIO AVE

MERCEDES, TEXAS 78570

WATERCCN #12811

PWS #1080007

AUGUST2022

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Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the City of Mercedes (the City) hereby adopts the following regulations and restrictions on the delivery and consumption of water through an ordinance/or resolution.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the City by scheduling and providing public notice of public meetings considering adoption of the Plan.

Section III: Public Education

The City will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of utility bill inserts or mail-outs.

Section IV: Coordination with Regional Water Planning Groups

The service area of the City is located within the Rio Grande Regional Water Planning Group Region M and the City has provided a copy of this Plan to its administrative agent, the Lower Rio Grande Valley Development Council, 301 W. Railroad St., Weslaco, Texas 78596, to ensure consistency with the appropriate approved regional water plans.

Section V: Authorization

The City Manager or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The City Manager, or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the City. The terms "person" and "customer" as used in the Plan include individuals, cities, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by the City.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential or required for the protection of public, health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;

(f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;

(g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;

(h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and

(i) use of water from hydrants for construction purposes or any other purposes other than firefighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Wholesale Treated Water Customer: any water supplier that receives all or a portion of its treated water supply directly or indirectly from City of Mercedes.

Section VIII: Criteria for Initiation and Termination of Drought Response Stages

The City Manager or his/her designee shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified "triggers" are reached.

The triggering criteria described below are based on the levels of U.S. water stored in the Falcon Reservoir as reported by the Texas Commission on Environmental Quality (TCEQ) watermaster or when the demand on the City's water system increases.

Stage 1 Triggers--MILD Water Shortage Conditions

Requirements for initiation

Customers shall be requested to voluntarily conserve water and adhere to the prescribed restrictions on certain water uses, defined in Section VII-Definitions, when water use has reached 60% of maximum daily supply capacity (>6.6 MGD).

Requirements for termination

Stage I of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

Stage 2 Triggers -- MODERATE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain nonessential water uses provided in Section IX of this Plan when drought conditions are officially declared for the county, water levels in Falcon Lake Reservoir drop below 80% of conservation levels and the daily water consumption exceeds 70% of daily supply capacity (>7.7 MGD) for 10 days.

Requirements for termination

Stage 2 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

Stage 3 Triggers - SEVERE Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain nonessential water uses provided in Section IX of this Plan when extreme drought conditions are officially declared for the county, water levels in Falcon Lake Reservoir drop below 70% of conservation levels, raw water supply drops 10% below projected needs and the daily water consumption exceeds 80% of daily supply capacity (>8.8 MGD) for 10 days.

Requirements for termination

Stage 3 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

Stage 4 Triggers -- CRITICAL Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions on certain nonessential water uses provided in Section IX of this Plan when emergency drought conditions are officially declared for the county, water levels in Falcon Lake Reservoir drop below 60% of conservation levels, raw water supply drops 30% below projected needs and the daily water consumption exceeds 90% of daily supply capacity (>9.9 MGD) for 10 days.

Requirements for termination

Stage 4 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days. Upon termination of Stage 4, Stage 3 becomes operative.

Stage 5 Triggers -- EMERGENCY Water Shortage Conditions

Requirements for initiation

Customers shall be required to comply with the requirements and restrictions for Stage 5 of this Plan when the City Manager or his/her designee determines that a water supply emergency exists based on:

1. When the total daily demand equals or exceeds 100% of the system plant capacity.
2. Major water line breaks, or pump or system failures occur, which cause unprecedented loss of capability to provide water service; or
3. Natural or man-made contamination of the water supply source.

Requirements for termination

Stage 5 of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of 3 consecutive days.

Section IX: Drought Response Stages

The City Manager or his/her designee shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of this Plan, shall determine that a mild, moderate, severe, critical, emergency or water shortage condition exists and shall implement the following notification procedures:

Notification

Notification of the Public:

The City Manager or his/ her designee shall notify the public by means of:

Written notice to each customer prior to implementation or termination of each stage of the water restriction program. Mailed notice will be given to each customer 72 hours prior to the stage of water restriction. If notice is hand delivered, the utility will not enforce the provisions of the plan for 24 hours after notice is provided. The written notice to customers will contain the following information:

1. the date restrictions will begin;
2. the circumstances that triggered the restrictions;

4. the stages of response and explanation of the restrictions to be implemented; and
5. an explanation of the consequences for violations.

Additional Notification:

The City Manager or his/her designee shall notify directly, or cause to be notified directly, the following individuals and entities:

City Commission

TCEQ (when mandatory restrictions are imposed)

Stage 1 Response -- MILD Water Shortage Conditions

Target: Achieve a voluntary reduction of water use to less than 90% of maximum daily supply capacity.

Best Management Practices for Supply Management:

Reduction in the flushing of water mains to the minimum requirement of once a month.

Voluntary Water Use Restrictions for Reducing Demand:

Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes. Water customers are to practice water conservation by implementing the following suggested measures:

1. Water customers are requested to voluntarily limit the irrigation of landscaped areas to even numbered days for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and to odd-numbered days for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and to irrigate landscapes only between the hours of midnight and 10:00 a.m. and 8:00 p.m. to midnight on designated watering days.
2. Irrigate lawns and landscaping only between the hours of 6:00 p.m. and 10:00 a.m.
3. Irrigation and watering of lawns and landscaped areas should occur without significant runoff.
4. Wash vehicles using the same daily numbering system and only use hoses equipped with flow control attachments.
5. Do not use potable water for washing sidewalks, driveways, or for dust control.

Handheld hose watering of lawns and landscaped areas will be allowed at any time of the day.

Wholesale Water Customer:

Require implementation of like procedures by wholesale water customers in accordance with their water contracts, state mandated drought and conservation plans, state law and TCEQ regulations.

Stage 2 Response -- MODERATE Water Shortage Conditions

Target: Achieve a reduction of water use to less than 80% of maximum daily supply capacity

Best Management Practices for Supply Management:

Flushing of water mains on as needed basis to maintain water quality.

Water Use Restrictions for Demand Reduction:

Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to Sundays and Thursdays for customers with a street address ending in an even number (0, 2, 4, 6 or 8), and Saturdays and Wednesdays for water customers with a street address ending in an odd number (1, 3, 5, 7 or 9), and irrigation of landscaped areas is further limited to the hours of 12:00 midnight until 10:00 a.m. and between 8:00 p.m. and 12:00 midnight on designated watering days. However, irrigation of landscaped areas is permitted at any time if it is by means of a hand-held hose, a faucet filled bucket or watering can of 5 gallons or less, or drip irrigation system.

Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicles prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight. Such washing, when allowed, shall be done with a handheld bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the immediate premises of a commercial car wash or commercial service station. Furthermore, such washing may be exempted from these regulations if the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.

Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or Jacuzzi-type pools is prohibited except on designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight.

Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a circulation system.

Use of water from hydrants shall be limited to firefighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the City.

All restaurants are prohibited from serving water to patrons except upon request of the patron.

The following uses of water are defined as non-essential and are prohibited:

1. wash down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
2. use of water to wash down buildings or structures for purposes other than immediate fire protection;
3. use of water for dust control;
4. flushing gutters or permitting water to run or accumulate in any gutter or street; and
5. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).

Wholesale Water Customer:

Require implementation of like procedures by wholesale water customers in accordance with their water contracts, state mandated drought and conservation plans, state law and TCEQ regulations.

Require water demand reductions in accordance with contract obligations for wholesale water customers.

Wholesale Water Contracts:

Every offer for a new wholesale contract shall be reviewed. An assessment of the current and future water delivery capacity of City of Mercedes for the contract terms will be performed to ensure the sustainability of City of Mercedes commitments to current customers.

Stage 3 Response -- SEVERE Water Shortage Conditions

Target: Achieve a reduction of water use to less than 70% of maximum daily supply capacity.

Best Management Practices for Supply Management:

The City will take all measures necessary to acquire or secure a secondary water source. These measures will include acquiring treated water from adjoining water supplier, City of Weslaco, North Alamo Water Supply Corporation, and constructing any emergency interconnection facilities needed to accomplish the transfer of the acquired water resources.

Water Use Restrictions for Demand Reduction:

All requirements of Stage 2 shall remain in effect during Stage 3 except:

Irrigation of landscaped areas shall be limited to designated watering days between the hours of 12:00 midnight and 10:00 a.m. and between 8 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, drip irrigation, or permanently installed automatic sprinkler system only. The use of hose-end sprinklers is prohibited at all times.

The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.

Wholesale Water Customer:

Require implementation of like procedures by wholesale water customers in accordance with their water contracts, state mandated drought and conservation plans, state law and TCEQ regulations.

Require water demand reductions in accordance with contract obligations for wholesale water customers.

Wholesale Water Contracts:

No new wholesale contracts shall be entertained unless there is an emergency situation. Every request for a new wholesale contract shall be reviewed. An assessment of the current and future water delivery capacity of City of Mercedes for the contract terms will be performed to ensure the sustainability of City of Mercedes' commitments to current customers.

Water Allocation:

Wholesale Water Customers- In the event that the triggering criteria specified in Section VIII of the Plan for Stage 3 have been met, the City Manager is hereby authorized to initiate allocation of water supplies on a pro rata basis in accordance with the latest revision of Texas Water Code Section 11.039, which states:

§11.039. Distribution of Water During Shortage:

- (a) If a shortage of water in a water supply not covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water Development Board rules results from drought, accident, or other cause, the water to be distributed shall be divided among all customers pro rata, according to the amount each may be entitled to, so that preference is given to no one and everyone suffers alike.
- (b) If a shortage of water in a water supply covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water

Development Board rules results from drought, accident, or other cause, the person, association of persons, or corporation owning or controlling the water shall divide the water to be distributed among all customers pro rata, according to:

- (1) the amount of water to which each customer may be entitled; or
 - (2) the amount of water to which each customer may be entitled, less the amount of water the customer would have saved if the customer had operated its water system in compliance with the water conservation plan.
- (c) Nothing in Subsection (a) or (b) precludes the person, association of persons, or corporation owning or controlling the water from supplying water to a person who has a prior vested right to the water under the laws of this state.

City of Mercedes may curtail water deliveries or reduce diversions in accordance with the terms and conditions of its wholesale water supply contracts. If necessary, or if specific contract provisions are not provided for, City of Mercedes may curtail water deliveries or reduce diversions in accordance with Texas Water Code Section 11.039. City of Mercedes will have authority to restrict flow to its wholesale water customers through the rate-of-flow controllers.

Pro rata water allocations, determined as a percentage reduction of the wholesale customer's water usage, will be established by the City Manager at the time of implementation. The total volume reduction for each wholesale customer will be calculated on a monthly basis, based on average water usage for the previous three years. The City Manager will establish the percentage reduction based on an assessment of the severity of the water shortage condition and the need to curtail water diversions and/or deliveries, and the percentage reduction may be adjusted periodically by the Director of Utilities. Once pro rata allocation is in effect, water diversions by or deliveries to each wholesale water customer will be limited to the allocation established for each month.

Stage 4 Response -- CRITICAL Water Shortage Conditions

Target: Achieve a reduction of water use to less than 60% of maximum daily supply capacity.

Best Management Practices for Supply Management:

The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.

Water Use Restrictions for Demand Reduction:

Irrigation of landscaped areas shall be limited to designated watering days between the hours of 6:00 a.m. and 10:00 a.m. and between 8:00 p.m. and 12:00 midnight and shall be by means of hand-held hoses, hand-held buckets, or drip irrigation only. The use of hose-end sprinklers or permanently installed automatic sprinkler systems are prohibited at all

times.

Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle not occurring on the premises of a commercial car wash and commercial service stations and not in the immediate interest of public health, safety, and welfare is prohibited. Furthermore, such vehicle washing at commercial car washes and commercial service stations shall occur only between the hours of 6:00 a.m. and 10:00 a.m. and between 6:00 p.m. and 10:00 p.m. The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited.

Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a circulation system. No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage or a higher-numbered stage shall be in effect.

Wholesale Water Customer:

Require implementation of like procedures by wholesale water customers in accordance with their water contracts, state mandated drought and conservation plans, state law and TCEQ regulations.

Require water demand reductions in accordance with contract obligations for wholesale water customers.

Wholesale Water Contracts:

No new wholesale contracts shall be entertained unless there is an emergency situation. Every request for a new wholesale contract shall be reviewed. An assessment of the current and future water delivery capacity of City of Mercedes for the contract terms will be performed to ensure the sustainability of City of Mercedes' commitments to current customers.

Water Allocation:

Wholesale Water Customers- In the event that the triggering criteria specified in Section VIII of the Plan for Stage 4 have been met, the Director of Utilities is hereby authorized to initiate allocation of water supplies on a pro rata basis in accordance with the latest revision of Texas Water Code Section 11.039, which states:

§11.039. Distribution of Water During Shortage:

- (d) If a shortage of water in a water supply not covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water Development Board rules results from drought, accident, or

other cause, the water to be distributed shall be divided among all customers pro rata, according to the amount each may be entitled to, so that preference is given to no one and everyone suffers alike.

- (e) If a shortage of water in a water supply covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water Development Board rules results from drought, accident, or other cause, the person, association of persons, or corporation owning or controlling the water shall divide the water to be distributed among all customers pro rata, according to:
 - (1) the amount of water to which each customer may be entitled; or
 - (2) the amount of water to which each customer may be entitled, less the amount of water the customer would have saved if the customer had operated its water system in compliance with the water conservation plan.
- (f) Nothing in Subsection (a) or (b) precludes the person, association of persons, or corporation owning or controlling the water from supplying water to a person who has a prior vested right to the water under the laws of this state.

City of Mercedes may curtail water deliveries or reduce diversions in accordance with the terms and conditions of its wholesale water supply contracts. If necessary, or if specific contract provisions are not provided for, City of Mercedes may curtail water deliveries or reduce diversions in accordance with Texas Water Code Section 11.039. City of Mercedes will have authority to restrict flow to its wholesale water customers through the rate-of-flow controllers.

Pro rata water allocations, determined as a percentage reduction of the wholesale customer's water usage, will be established by the Director of Utilities at the time of implementation. The total volume reduction for each wholesale customer will be calculated on a monthly basis, based on average water usage for the previous three years. The Director of Utilities will establish the percentage reduction based on an assessment of the severity of the water shortage condition and the need to curtail water diversions and/or deliveries, and the percentage reduction may be adjusted periodically by the Director of Utilities. Once pro rata allocation is in effect, water diversions by or deliveries to each wholesale water customer will be limited to the allocation established for each month.

Stage 5 Response -- EMERGENCY Water Shortage Conditions

Target: Achieve a reduction of water use to less than 50% of maximum daily supply capacity.

Best Management Practices for Supply Management:

Discontinue flushing of water mains.

Water Use Restrictions for Demand Reduction:

All requirements of Stage 2, 3, and 4 shall remain in effect during Stage 5 except:

1. Irrigation of landscaped areas is absolutely prohibited.
2. Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle is absolutely prohibited.

Wholesale Water Customer:

Require implementation of like procedures by wholesale water customers in accordance with their water contracts, state mandated drought and conservation plans, state law and TCEQ regulations.

Require water demand reductions in accordance with contract obligations for wholesale water customers.

Wholesale Water Contracts:

No new wholesale contracts shall be entertained unless there is an emergency situation. Every request for a new wholesale contract shall be reviewed. An assessment of the current and future water delivery capacity of City of Mercedes for the contract terms will be performed to ensure the sustainability of City of Mercedes' commitments to current customers.

Water Allocation:

Wholesale Water Customers- In the event that the triggering criteria specified in Section VIII of the Plan for Stage 5 have been met, the Director of Utilities is hereby authorized to initiate allocation of water supplies on a pro rata basis in accordance with the latest revision of Texas Water Code Section 11.039, which states:

§11.039. Distribution of Water During Shortage:

- (g) If a shortage of water in a water supply not covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water Development Board rules results from drought, accident, or other cause, the water to be distributed shall be divided among all customers pro rata, according to the amount each may be entitled to, so that preference is given to no one and everyone suffers alike.
- (h) If a shortage of water in a water supply covered by a water conservation plan prepared in compliance with Texas Commission on Environmental Quality or Texas Water Development Board rules results from drought, accident, or other cause, the person,

association of persons, or corporation owning or controlling the water shall divide the water to be distributed among all customers pro rata, according to:

- (1) the amount of water to which each customer may be entitled; or
 - (2) the amount of water to which each customer may be entitled, less the amount of water the customer would have saved if the customer had operated its water system in compliance with the water conservation plan.
- (i) Nothing in Subsection (a) or (b) precludes the person, association of persons, or corporation owning or controlling the water from supplying water to a person who has a prior vested right to the water under the laws of this state.

City of Mercedes may curtail water deliveries or reduce diversions in accordance with the terms and conditions of its wholesale water supply contracts. If necessary, or if specific contract provisions are not provided for, City of Mercedes may curtail water deliveries or reduce diversions in accordance with Texas Water Code Section 11.039. City of Mercedes will have authority to restrict flow to its wholesale water customers through the rate-of-flow controllers.

Pro rata water allocations, determined as a percentage reduction of the wholesale customer's water usage, will be established by the City Manager at the time of implementation. The total volume reduction for each wholesale customer will be calculated on a monthly basis, based on average water usage for the previous three years. The City of Mercedes will establish the percentage reduction based on an assessment of the severity of the water shortage condition and the need to curtail water diversions and/or deliveries, and the percentage reduction may be adjusted periodically by the City Manager. Once pro rata allocation is in effect, water diversions by or deliveries to each wholesale water customer will be limited to the allocation established for each month.

Section X: Enforcement

No person shall knowingly or intentionally allow the use of water from the City for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the City Manager, or his/her designee, in accordance with provisions of this Plan.

Any person, including a person classified as a water customer of the City, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and

that the parent could not have reasonably known of the violation.

Violations of this Plan will be handled as follows:

First violation:

The customer will be notified by written notice of their specific violation and there will be a \$25.00 fine imposed on the following utility bill. This fine will be due at the same time as the bill that it is attached to, unless payment terms are presented to, and accepted by the City.

Second violation:

The customer will be notified by written notice of their specific violation and there will be a \$200.00 fine imposed on the following utility bill. This fine will be due at the same time as the bill that it is attached to unless payment terms are presented to, and accepted by the City.

Third violation:

The customer will be notified by a hand-delivered written notice of their specific violation and service will be suspended, after notice has been delivered, for a period of 7 calendar days. or until the end of the month, whichever is LESS. A \$250.00 fine will imposed and noted on the delivered notice. This fine will be paid prior to re-establishment of service, unless payment terms are presented to, and accepted by the City.

Section XI: Variances

The City may grant any customer an exemption or variance from the drought contingency plan for good cause upon written request. A customer who is refused an exemption or variance may appeal such action in writing to the TCEQ. The City will treat all customers equally concerning exemptions and variances, and shall not discriminate in granting exemptions and variances. No exemption or variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

The written request shall demonstrate that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is ineffect.
- (b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the City within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager, or his/her designee, and shall include the following:

- (a) Name and address of the petitioner(s).

- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief.
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Ordinance.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (h) Other pertinent information.

Section XII: Wholesale Water Contracts

Every wholesale water contract, (treated and untreated water) entered into or renewed after the adoption of this Plan, including any contract extensions, will contain language notifying parties to the contract, that in a case of shortage of water resulting from a drought, the water to be distributed shall be divided in accordance with Texas Water Code Section 11.039.

CONSENT ITEM : NO

DATE: August 2, 2022**FROM:** Nereida Perez, Finance Director**ITEM:** Chamber requesting additional funds for Texas Street Festival

BACKGROUND INFORMATION:

The Mercedes Chamber is requesting an additional \$30K for the Texas Street Festival out of Hotel/Motel Funds.

The budget requested for the Texas Street Festival from the Mercedes Chamber for FY 21-22 was \$30K. They are asking to move the remaining \$24K requested for Little Nashville to the Texas Street Festival and approval of the additional \$6K that would be needed to reach the \$60K total being requested.

BOARD REVIEW/CITIZEN FEEDBACK: N/A**ALTERNATIVES/OPTIONS:** N/A**FISCAL IMPACT:** Additional \$6K from Hotel/Motel, which would come from reserves from prior years.

Proposed Expenditure/(Revenue):	Account Number(s):
\$60,000	16-540-2030

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

1. Hotel/Motel Budget Requested for FY 21-22.
- 2.

DRAFT MOTION:



July 29, 2022

The Texas Street Festival /Mercedes Chamber of Commerce is requesting the monies budged for Little Nashville be transferred to Texas Street Festival budget to cover the cost for the event. Going forward We are requesting to reverse the amount of hosting Little Nashville (which had a budget of \$60,000) to Texas Street Festival budget (which was budgeted at \$30,000). Texas Street Festival is a larger event which brings in larger amount of people, some staying at our hotel, and advertisement covers a larger area at different venues, (Radio, TV, billboards, social media, and print).

To Clarify the request is \$60,000 go to Texas Street Festival and \$30,000 go to Little Nashville.

FY21-22 Mercedes Marketing Plan

ID	Project	Organization	Creative	Location	Time	19-20	20-21	21-22	NEW		CURRENT	
						Approved	Approved	Requested	HM	GF	HM	GF
2.0	Marketing											
2.1	Publications											
2.1.1	Valley Business Report	City	Tourism	Regional	Annual	\$ 4,800	\$0	\$ 4,800			\$ 4,800	
						\$ 4,800	\$ -	\$ 4,800				
2.2	Tradeshows											
2.2.2	ICSC Texas	EDC	Mix Use Development	San Antonio	November			\$ 5,000				
2.2.4	ICSC Recon	EDC	Mix Use Development	Las Vegas	May			\$ 5,000				
						\$ -	\$ -	\$ 10,000				
2.3	Online											
2.3.1	mercedsedc.com	EDC	Organization	Mercedes	Annual	\$ 6,000	\$6,000	\$ 7,980				
2.3.2	mercedeschamber.com	Chamber	Organization	Mercedes	Annual	\$ 4,000	\$4,000	\$ 4,000				
2.3.3	cityofmercedes.com	City	Organization	Mercedes	Annual	\$ 6,000	\$0					
2.3.4	facebook.com	Chamber/EDC	Social	Mercedes	Annual	\$ -	\$0	\$ -				
2.3.5	Loopnet/CoStar	EDC	Mix Use Development	Mercedes	Annual	\$ 800	\$800	\$ 800				
						\$ 16,800	\$ 10,800	\$ 12,780				
2.4	Collateral											
2.4.1	Market Profile	EDC	Mix Use Development	Mercedes	Annual	\$ 2,000	\$0	\$ 2,000				
2.4.2	Step and See	City	Tourism	Mercedes	Annual	\$ 5,000	\$0					
						\$ 7,000	\$ -	\$ 2,000				
2.5	Billboards											
2.5.1	Benchmark	City	Tourism	Mercedes	Annual	\$ 12,000	\$0	\$ 12,000			\$ 12,000	
2.5.2	Shared Billboard Chamber/DCM	Chamber/EDC	Tourism	Mercedes	Annual	\$ 4,800	\$0	\$ 4,800				
2.5.3	Chamber	Chamber	Tourism	Mercedes	Annual	\$ 6,000	\$6,000	\$ 6,000				
2.5.4	Lone Star Logos	City	Tourism	Mercedes	Annual	\$ 13,000	\$12,825	\$ 12,825			\$ 12,825	
						\$ 35,800	\$ 18,825	\$ 35,625				
2.6	Sponsorships											
2.6.1	Valley Morning Star	EDC	Tourism	Mercedes	October	\$ 250	\$0	\$ 250				
2.6.2	Smokin on the Rio	EDC	Tourism	Mercedes	February	\$ 12,500	\$0	\$ 12,500				
	Smokin on the Rio	City	Tourism	Mercedes	February	\$ 12,500	\$12,500	\$ 12,500			\$ 12,500	
2.6.3	National Professional Bullriders	EDC	Tourism	Mercedes	February	\$ 1,000	\$0	\$ 1,000				
	National Professional Bullriders	City	Tourism	Mercedes	February	\$ 1,000	\$1,000	\$ 1,000			\$ 1,000	
2.6.4	RGV Livestock Show	EDC	Tourism	Mercedes	March	\$ 5,000	\$0	\$ 5,000				
	RGV Livestock Show	City	Tourism	Mercedes	March	\$ -	\$0	\$ 5,000	\$ -			
2.6.5	Birding Classic	EDC	Tourism	Mercedes		\$ 1,000	\$0	\$ 1,000				
						\$ 33,250	\$ 13,500	\$ 38,250				
2.7	Memberships											
2.7.1	Chamber	EDC	Tourism/Mixed Use Developn	Mercedes		\$ 5,000	\$5,000	\$ 5,000				
2.7.2	Chamber	City	Tourism/Mixed Use Developn	Mercedes		\$ 6,000	\$6,000	\$ 6,000			\$ 6,000	
						\$ 11,000	\$ 11,000	\$ 11,000				
2.8	Television/Radio											
2.8.1	Merchant Campaign	City	Tourism/Investment	Regional	Annually	\$ 4,400	\$0	\$ 2,400			\$ 2,400	
2.8.2	Spectrum	City	Tourism/Investment	International	Annually	\$ 25,840	\$25,840	\$ 25,840			\$ 25,840	
2.8.3	Advertising in Mexico	City	Tourism/Investment	International	Annually	\$ -	\$0	\$ 35,000	\$ 35,000			
						\$ 30,240	\$ 25,840	\$ 63,240				
2.9	Chamber											
2.9.1	Texas Street Festival	City	Tourism	International		\$ 20,000	\$20,000	\$ 30,000			\$ 30,000	
2.9.2	Texas Street Festival	EDC	Tourism	International		\$ 15,000	\$0	\$ 15,000				
2.9.3	Little Nashville	City	Tourism	Regional		\$ 50,000	\$50,000	\$ 60,000			\$ 60,000	
2.9.4	Marketing Collateral	City	Tourism	International		\$ -	\$0	\$ 5,000	\$ 5,000			
2.9.5	Annual Banquet	City	Tourism	Regional		\$ 1,000	\$0	\$ 1,000			\$ 1,000	
2.9.6	Christmas Parade	City	Tourism	Regional		\$ 3,000	\$0	\$ 4,000			\$ 4,000	
2.9.7	Winter Texas Reception	City	Tourism	National		\$ 1,500	\$0	\$ 3,000			\$ 3,000	
2.9.8	Mercedes Leadership	City	Tourism	International		\$ -	\$0	\$ 8,000	\$ 8,000			

FY21-22 Mercedes Marketing Plan

<u>ID</u>	<u>Project</u>	<u>Organization</u>	<u>Creative</u>	<u>Location</u>	<u>Time</u>	<u>19-20</u>	<u>20-21</u>	<u>21-22</u>	<u>NEW</u>		<u>CURRENT</u>	
						<u>Approved</u>	<u>Approved</u>	<u>Requested</u>	<u>HM</u>	<u>GF</u>	<u>HM</u>	<u>GF</u>
2.0	Marketing											
	2.9.9 Movies in the Park	City	Tourism	Mercedes		\$ 3,000	\$0	\$ 4,000				
						\$ 93,500	\$ 70,000	\$ 130,000			\$ 4,000	
3.0	Direct Marketing											
	3.1.1 GeoTours	EDC	Tourism	International	Annually	\$ 10,000	\$6,500	\$ 6,500				
						\$ 10,000	\$ 6,500	\$ 6,500				
4.0	Social Media											
	4.1.1 Writer	EDC	Tourism/Investment	Regional	Annually	\$ 6,000	\$6,000	\$ 6,000				
	4.1.2 Business Commercials	EDC	Tourism/Investment	International	Annually			\$ 12,000				
	4.1.3 Social Media Advertising	EDC	Tourism/Investment	International	Annually			\$ 5,000				
	4.1.4 Social Media Advertising	City	Tourism/Investment	International	Annually			\$ 5,000				
						\$ 6,000	\$ 6,000	\$ 28,000	\$35,000	\$13,000	\$142,165	\$37,200
										\$48,000		\$179,365
					TOTAL	\$ 248,390	\$ 162,465	\$ 342,195				
								Total City General Fund		\$50,200		
								Total City Hotel/Motel Current		\$86,700		
								Total City Hotel/Motel Reserves		\$90,465		
								Total City Contribution		\$227,365		



INVOICE

Mercedes Area Chamber of Commerce
 P.O Box 37 / 320 South Ohio
 Mercedes, Texas 78570 Phone 956-565-2221

INVOICE: 202209

Bill To:

DATE: June 1, 2022

Alberto Perez, City Manager
 City of Mercedes
 400 S. Ohio
 Mercedes, Texas 78570

DESCRIPTION	AMOUNT
Contribution for Texas Street Festival September 3, 2022 (Saturday of Labor Day Weekend) Thank You	\$60,000.00
Remit to: Texas Street Festival P.O. Box 37 Mercedes, Texas 78570	TOTAL \$60,000.00

Management Items

DATE: August 2, 2022

FROM: Joselynn Castillo, City Secretary

ITEM: **Discussion and Possible Action on selecting a member to the Amigos Del Valle Board of representatives**

BACKGROUND INFORMATION: The City of Mercedes was contacted by Amigos Del Valle to select a member for the board of representatives for Amigos Del Valle.

BOARD REVIEW/CITIZEN FEEDBACK:

ALTERNATIVES/OPTIONS:

FISCAL IMPACT:

LEGAL REVIEW:

ATTACHMENTS:

Management Items

DATE: August 2, 2022

FROM: Marisol Vidales, Library Director

ITEM: **Discussion and possible action to approve grant reimbursement for historically designated property 304 S. Texas Ave.**

BACKGROUND INFORMATION:

The Mercedes Historic Preservation Commission was established on May 18, 2010. The Historic Preservation Grant Fund was established on November 5, 2013. The reimbursement amounts are \$5,000 for leveling and façade and \$10,000 for roofs. The property owners must pay for all the work initially and, based on the final expended amount, the funds may be reimbursed up to 50% of said expended amount.

Ms. Manuela Garza applied for a roof grant on January 25, 2022. Her building was suffering from various leaks and damaging the interior of her business.

The Historic Commission reviewed her application on February 10, 2022 and after discussion, asked her to provide further estimates as Ms. Garza was interested in a metal roof and furthermore she had only been able to provide two quotations when a total of three were needed. Approval of the application was left pending until new quotations were provided.

On March 29, 2022 Ms. Garza notified me that she was unable to get quotations for the metal roof option and she preferred to proceed with the original material in order to fix the leaks. A meeting was held on April 12th and the board once again reviewed the application. Satisfied with the quotations the board approved Ms. Garza commencing on the work.

Ms. Garza completed the work on the property on May 16, 2022 and submitted all the necessary photographs and invoice on June 16, 2022.

The Historic Commission met on July 13, 2022 to review the documents & evidentiary photographs. The Commission reviewed the work, and found it to be complete and that everything necessary had been submitted and approved the reimbursement.

Ms. Garza spent a total of \$21,931.45 on the roof replacement. Her total reimbursable amount is \$10,000 based on the cap for roof grants.

The total 2021-2022 budget for the Historical Grant Program was approved by the City Commission at \$30,000 - - funding coming from the Hotel/Motel Fund.

Thus far this fiscal year, zero of the allocated \$30K have been expended.

Pursuant to the Historic Preservation Grant Fund policies, the City Commission has to consider approving the reimbursement of \$10,000 to finalize this project.

BOARD REVIEW/CITIZEN FEEDBACK: Approved

ALTERNATIVES/OPTIONS:

FISCAL IMPACT: \$10,000

Proposed Expenditure/(Revenue):	Account Number(s):
	16-5402040

Finance Review by:

LEGAL REVIEW:

ATTACHMENTS: One packet with application, quotes, invoice, photos, and agendas from MHPC.

Staff Recommendation: To approve reimbursement as it met all requirements.



Mercedes Historic Preservation Commission

Grant Application

1. Property Owner/ Owners

First Name Manuela

First Name _____

Last Name Garza

Last Name _____

Address 802 Nevada Street

Address _____

Phone 956-534-4525

Phone _____

Email mela1973.mg@gmail.com

Email _____

2. Historic Property Address

Address 304 S Texas Ave, Mercedes, TX 78570

3. Grant/ Amount Requested

Roof ☒

Amount \$10,000

Leveling ☐

Amount _____

Façade ☐

Amount _____

4. Brief Summary of Project (If additional space is required please attach another page).

Remove existing roof and place new roof.

5. Have you ever applies for a grant before? If so, was it granted and when?

No first application.

I hereby agree to the guidelines set forth by the Mercedes Historical Preservation Commission Grant

I certify that, to the best of my knowledge and belief, the statements made by me in this application are true and the information provided is correct.

Signature Manuela Garza

Date 01-25-2022

Signature _____

Date _____

Staff Use Only

Grant Request Approved: Yes/4.12.22+7.13.22 Quotes Submitted: Yes/1.25.22 + 3.29.22

Photos Submitted: Yes/6.16.22 Samples Submitted: No, not necessary



McALLEN ROOFING

Commercial

3903 W US Highway 83
McAllen, TX 78501
Phone: (956) 279-8292 Fax: (956) 391-1710

To: Sackks
Manuela Garza
310 S Texas Ave
MERCEDES, TX 78570

Date: 03/17/2022

Construction Agreement

JOB DESCRIPTION: McAllen Roofing LLC shall supply all of the labor and materials required to perform the following work for the Owner as an independent contractor. By this Agreement, Owner irrevocably awards McAllen Roofing LLC the job to do all the work that is included in the Price and Scope of work and agreed to by Owner(s) or Authorized Representative and McAllen Roofing LLC.

Price and Scope of Work

Preparation:

- * Tear off, Haul and Dispose 1 layer of bitumen modified to wood deck
- * Check the condition of the plywood to find any rotten wood.

Note: Any rotted deck will require a change order of \$95 a sheet that needs to be removed and replaced

Installation

Installation:

- * Install metal edging with primer (If required)
- * Install SA Base sheet over deck
- * Install SA adhered Cap Sheet _____ color Thermotek 3.5
- * Install Pitch Pan for A/C unit and slip sheet (If required)

Important Notes:

This Budget does not include:

- * Cut and remove the metal base of the AC units / Or complete AC Units
- * No especial permit to stop the traffic, if necessary, when lifting material.
- * Coping caps installation or any metal edge or AC Units curves.

PROJECT AS LISTED COMPLETE FOR..... \$ 8,993.67
Plus Applicable Tax



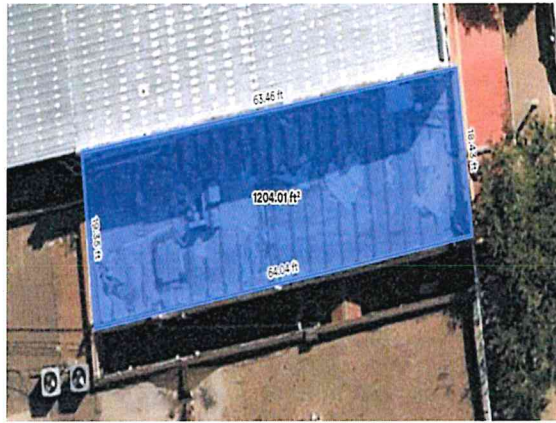
COMPENSATION AND METHOD OF PAYMENT: Owner agrees to pay Company the total amount for the job as follows: (1) 50% contract amount as down payment to initiate notice to proceed, the ordering of materials and scheduling (2) 50% balance shall be paid upon completion.

LIMITED WARRANTY: 20 Year Limited Manufacture Warranty will be processed at the time of final payment is received. Manufacture Warranty includes coverage on materials for a period of 20 years. Company will provide a 2-year leak free warranty.

ADDITIONAL TERMS:



INITIALS _____



This contract and any agreement made pursuant thereto is between McAllen Roofing LLC hereinafter referred to as the "Company" and the customer(s) named herein on the reverse side will be subject to all appropriate laws, regulations, and ordinances in the state record.

1. All contracts are **subject to approval** of our credit department and office without exception. The person executing this contract must obtain the approval of the officer of the Company for this contract to be effective under any conditions in the state of record.
2. Should **default be made in payment** of this contract, charges shall be added from the date thereof at a rate of one and one half (1 ½) percent per month (18% PER ANNUM) with a minimum charge of \$2.00 per month, and if placed in the hand of an attorney for collection, all attorney's fees and legal filing fees shall be paid by customer accepting said contract.
3. Company holds the right to place a **lien** on the property if payment is past due or defaulted. Customer will be charged a \$500 lien fee if lien is recorded with the county.
4. The Company shall have no **responsibility for damages from rain, fire, tornado, windstorm or other perils**, as is normally contemplated to be covered by PROPERTY OWNERS INSURANCE or BUSINESS RISK INSURANCE or unless a specified written agreement be made therefore prior to commencement of the work.
5. Replacement of **deteriorated decking, fascia boards, roof jacks, ventilators, flashings** or other materials unless otherwise stated in the contract, are not included and will be charged as an extra on a time and material basis.
6. The Company shall not be liable for failure of performances due to **labor controversies, strikes, fires, weather, inability to obtain materials from usual sources, or any other circumstances beyond the control of the Company, whether of a similar or dissimilar nature.**
7. The Company is not responsible for any damage on or below the roof due to leaks by wind driven rain, ice or hail during the period of the warranty. **Excessive Wind is 40 MPH.** The warranty is non transferable.
8. If material has to be recorded or restocked because of **cancellation by the customer** there will be a restocking fee equal to fifteen percent (15%) of the contract price. If the material was custom ordered and may not be restocked, one hundred percent (100%) of the material and shipping cost will be the property owner's responsibility to pay.
9. Moisture that has entered into the building prior to our installation or repair of the roofing system may result in mold growth. We disclaim any and all responsibility for damages to person's property arising from or relating to the presence of **mold in the building.** By executing this agreement for repairs owner and any other party releases us from any and all claims from any penalties, actions, liabilities, cost, expenses and damages arising from or related to the presence of mold in Owners building.
10. The **Buyer can cancel this contract within three (3) days** of signature date without penalty, only if signed off of McAllen Roofing premises. However, if work has begun or materials have been ordered contract cannot be cancelled. McAllen Roofing, LLC. can cancel at anytime without cause before work begins.
11. This contract cannot be cancelled once **work is commenced** accept by mutual written agreement of the parties.
12. **Estimated time of completion** is given in good faith to the customer by the Company based off of prior work that has been completed. Deviations from the timeline based off weather, materials, or acts of God that provide an obstacle to complete project within the original estimated time of completion will grant the Company an additional 90 days for completion. Company holds the right to subcontract the scope of work listed in this contract.
13. Customer will allow for the Company to **store material and/or equipment** on owner's property.
14. If any **provision of this contract** should be held to be invalid or unenforceable the validity and enforceability of the remaining provisions of this contract shall not be affected thereby.
15. ANY REPRESENTATIONS, STATEMENTS, OR **OTHER COMMUNICATIONS NOT WRITTEN ON THIS CONTRACT ARE AGREED TO BE IMMATERIAL**, and not relied on by either party, and do not survive the execution of this contract.
16. The **maximum liability** for the Company shall be the original cost of labor and materials for the repair which customer agrees shall be a liquidated sum, under any event of default of company herein.
17. During the duration of the work the property owner's insurance will be responsible for any **interior damage** as long as the company has taken action to protect the roof during the repair of the roof.
18. If there are any **solar panels** on the roof, the company will not be responsible for damage during the repair, so property owner agrees to have solar panel Company take the appropriate action to protect it if necessary.

INITIALS _____



RGV Remodeling and Construction, LLC

2005 E Griffin Pkwy
Suite 101
Mission, TX 78572

Phone # 956-271-8360

Estimate

Date	Estimate #
1/27/2022	16

Name / Address
Manuela Garza 310 S Texas Ave Mercedes, TX 78570

			Project
Description	Qty	Cost	Total
Roofing, Flashing	1	20,260.00	20,260.00T
RGV Remodeling & Construction will remove the metal cap and the waterproof coating that is currently on the roof. A new waterproof asphalt roll roofing sheet SBS torch membrane will be installed, this construction area covers approximately 1,610 sqft. (23' by 70') Will install pipe jacks roof vent top flashing and wall flashing needed to complete the job. We do not change the exterior appearance of the building We provide cleaning service and removal of all trash and/or construction debris of the old roof. This estimate includes a 3 year warranty in labor Job will take approximately five business days. 25% advance payment to start the project. Remaining balance due when project is completed Sales Tax (Hidalgo County & City)		8.25%	1,671.45
Thank you for your business.		Total	\$21,931.45

Customer Signature



CONSTRUCCTION

PLAN

For : Manuela Garza

956 534 4525

310 S. Texas Ave.

Mercedes Tx. 78570

- 1.- Remove all roofing system Area 1210 Sqf Aprox
- 2.- Remove old A/C base Locate in the center of this roof
- 3.- Install new wood frame for A/C System
- 4.- Install new Roofing system Mat torch roll
- 5.- Seal all curbs
- 6.- Install and seal metal cap in the perimetral top walls
180 ftl aprox
- 7.- Dispose debris and clean up

Suncore Remodeling, Inc.

PO Box 720910 McAllen, TX 78504

Manuela Garza

Mission, TX 78572

Jan 25, 2022
mela1973.mg@gmail.com
(956) 534 4525

Roofing

- (1) Various Repairs.
- (2) Remove old waterproof coating and metal base
- (3) New waterproof and torch
- (4) Remove all left over material and debris from job site.

Labor:	\$ 33,178.00
Tax:	\$ 2,572.18
Total Labor & Material:	\$ 33,750.19

Draw Schedule for L/M: Commence: 50%, Balance at completion.
Allowances Due at Commencement. Any Addendums on separate Contract.

Please make all checks payable to: Suncore Remodeling, Inc.

Entire Agreement: Suncore Remodeling, Inc. is not responsible for breakage, theft, or any other damage.

These prices good if all Phases are contracted at the same time. The entire project to be completed in a timely, high quality, professional manner. Permitting services and associated fees not included unless itemized in this proposal All labor, allowances, and other material is included. All allowances include costs for transitions, setting material and taxes. Any changes or additions may be at an extra cost and payment on changes and additions will be due immediately before they are started. Any change orders must be approved by the construction manager Esteban Losa. Any hidden damage not covered in this contract will be at an additional cost. Project to take approximately 14 working days to complete, weather permitting.

Start Date: _____. Approximate completion date: _____



CONSTRUCCTION

Invoice For:

Manuela Garza
956 534 4525
310 S. Texas Ave.
Mercedes Tx. 78570

- 1.- Remove all roofing system Area 1210 Sqf Aprox
- 2.- Remove old A/C base Locate in the center of this roof
- 3.- Install new wood frame for A/C System
- 4.- Install new Roofing system Mat torch roll
- 5.- Seal all curbs
- 6.- Install and seal metal cap in the perimetral top walls
180 ftl aprox
- 7.- Dispose debris and clean up

Total \$ 21.931.45

The balance is in full pay


Cesar Ledesma

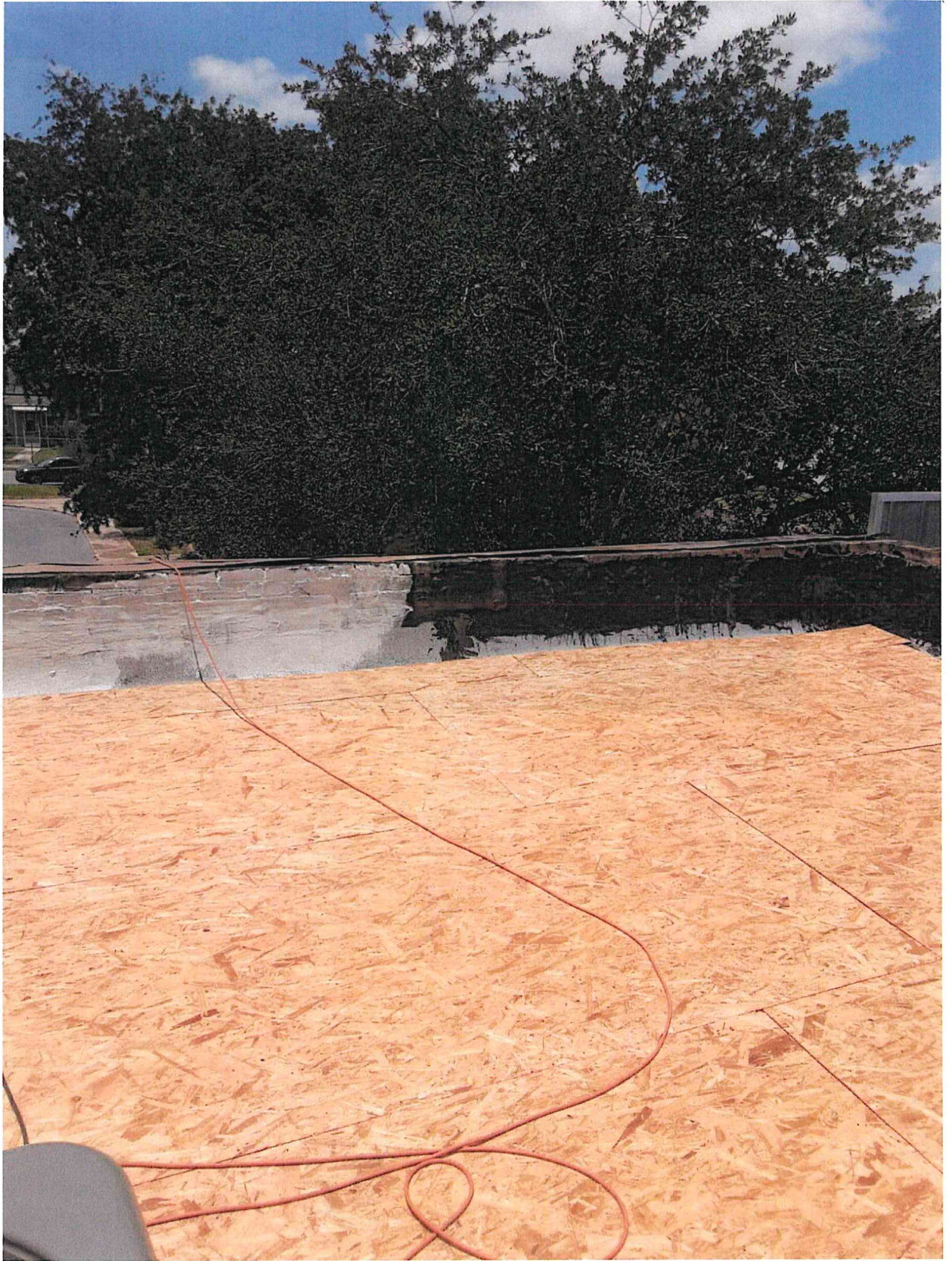
Date 05/16/2022

RGV Construction and Remodeling
2005 E Griffin Pkwy, Mission, TX, 78572

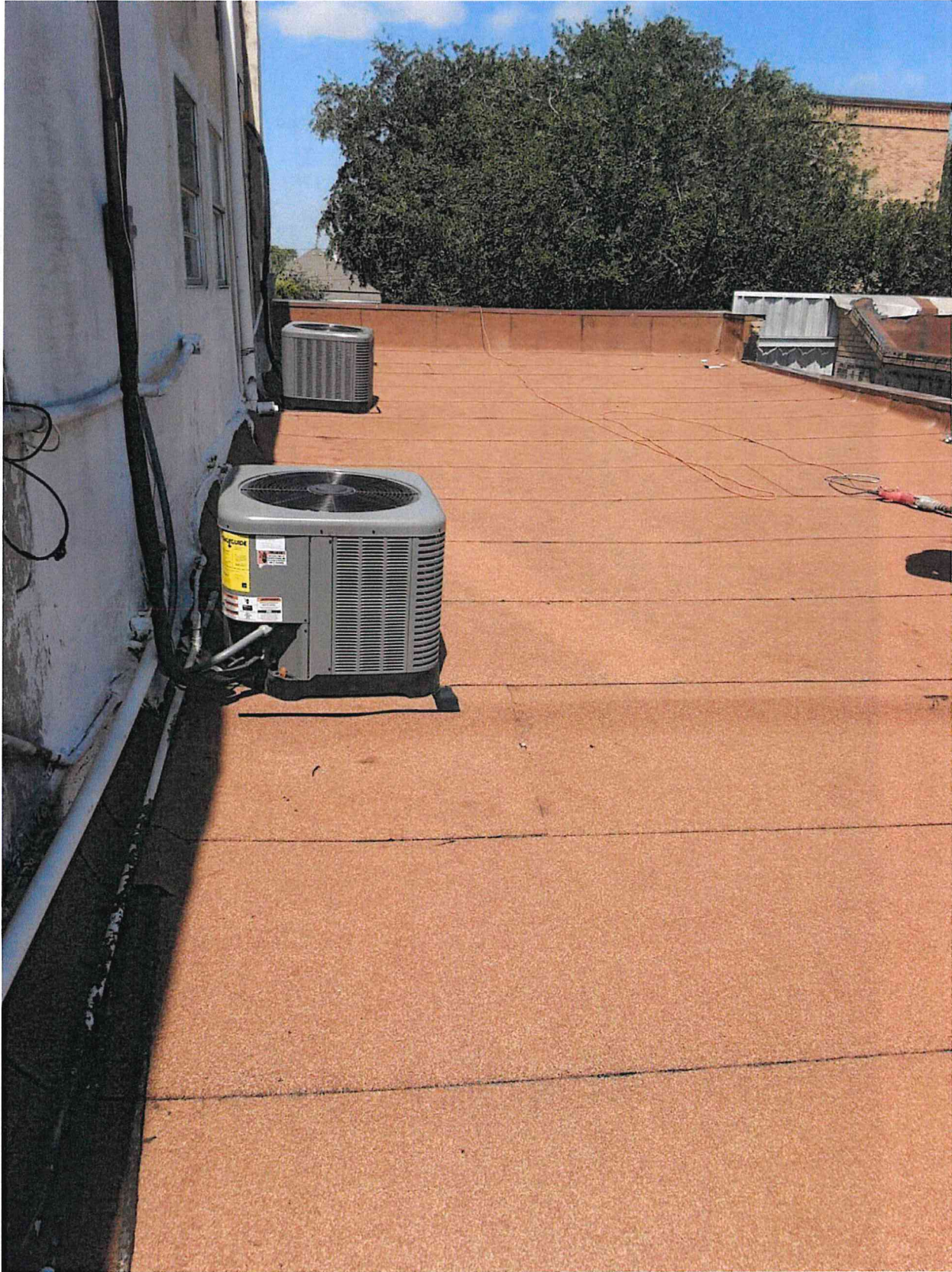
304 S. Texas
Completed Roof
















NOTICE OF PUBLIC MEETING

NOTICE is hereby given that the Mercedes Historic Preservation Commission of the City of Mercedes, Texas will hold a **SPECIAL MEETING** on Thursday, February 10, 2022 at 5:45 p.m. at the Dr. Hector P. Garcia Memorial Library located at 434 South Ohio, Mercedes, Texas to consider and take formal action regarding the following item (s):

- 1.) Call Meeting to Order.
- 2.) Public Comments. Maximum length of time of public comment is forty-five minutes with individual presentations limited to a maximum of five minutes. The Preservation Commission can take no formal action on any city related matter discussed during the public comment. Persons who wish to participate in this portion of the meeting shall sign up by visiting <https://cityofmercedes.com/mercedes-historic-preservation-commission/> and registering through the zoom link and indicating the topic about which they wish to speak under the questions and comments section. No one will be able to sign up AFTER 5:20 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 Chair 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 Preservation Commission is not required to answer any question from the public. Any person who decided to directly question any member of the Preservation Commission will be asked to discontinue their comments. The Historic Preservation Officer will be responsible for notifying each presenter that their five-minute time limit has expired.
- 3.) Approval of minutes for meeting held January 11, 2022.
- 4.) Review, discussion and possible action on grant application for 310 S. Texas Ave.
- 5.) Adjourn.



Marisol Vidales, Library Director

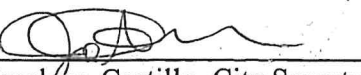
2/7/2022
Date

* * * * *

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, THIS THE 7TH DAY OF FEBRUARY, 2022.

ATTEST:



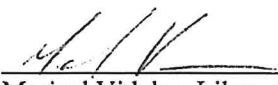
Joselynn Castillo, City Secretary



NOTICE OF PUBLIC MEETING

NOTICE is hereby given that the Mercedes Historic Preservation Commission of the City of Mercedes, Texas will hold a **REGULAR MEETING** on Tuesday, April 12, 2022 at 5:45 p.m. at the Dr. Hector P. Garcia Memorial Library located at 434 South Ohio, Mercedes, Texas to consider and take formal action regarding the following item (s):

- 1.) Call Meeting to Order.
- 2.) Public Comments. Maximum length of time of public comment is forty-five minutes with individual presentations limited to a maximum of five minutes. The Preservation Commission can take no formal action on any city related matter discussed during the public comment. Persons who wish to participate in this portion of the meeting shall sign up by visiting <https://cityofmercedes.com/mercedes-historic-preservation-commission/> and registering through the zoom link and indicating the topic about which they wish to speak under the questions and comments section. No one will be able to sign up AFTER 5:20 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 Chair 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 Preservation Commission is not required to answer any question from the public. Any person who decided to directly question any member of the Preservation Commission will be asked to discontinue their comments. The Historic Preservation Officer will be responsible for notifying each presenter that their five-minute time limit has expired.
- 3.) Approval of minutes for meeting held February 10, 2022.
- 4.) Review, discussion and possible action on revised grant application for 304 S. Texas Ave.
- 5.) Review and preparation for Mercedes Leadership Panel Discussion.
- 6.) Adjourn.



Marisol Vidales, Library Director

4/6/2022

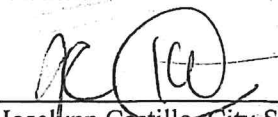
Date

* * * * *

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, THIS THE 6TH DAY OF APRIL, 2022.

ATTEST:




Joselynn Castillo, City Secretary



NOTICE OF PUBLIC MEETING

NOTICE is hereby given that the Mercedes Historic Preservation Commission of the City of Mercedes, Texas will hold a **SPECIAL MEETING** on Wednesday, July 13, 2022 at 5:45 p.m. at the Dr. Hector P. Garcia Memorial Library located at 434 South Ohio, Mercedes, Texas to consider and take formal action regarding the following item (s):

- 1.) Call Meeting to Order.
- 2.) Public Comments. Maximum length of time of public comment is forty-five minutes with individual presentations limited to a maximum of five minutes. The Preservation Commission can take no formal action on any city related matter discussed during the public comment. Persons who wish to participate in this portion of the meeting shall sign up by visiting <https://cityofmercedes.com/mercedes-historic-preservation-commission/> and registering through the zoom link and indicating the topic about which they wish to speak under the questions and comments section. No one will be able to sign up AFTER 5:20 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 Chair 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 Preservation Commission is not required to answer any question from the public. Any person who decided to directly question any member of the Preservation Commission will be asked to discontinue their comments. The Historic Preservation Officer will be responsible for notifying each presenter that their five-minute time limit has expired.
- 3.) Approval of minutes for meeting held April 12, 2022.
- 4.) Review, discussion and possible action on reimbursement of grant application for 304 S. Texas Ave.
- 5.) Presentation by Victoria Eschete on Farm Fest 2022.
- 6.) Adjourn.



Marisol Vidales, Library Director

7/8/2022
Date

* * * * *

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, THIS THE 8TH DAY OF JULY, 2022.

ATTEST:



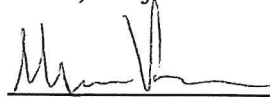
Joselynn Castillo, City Secretary



NOTICE OF PUBLIC MEETING

NOTICE is hereby given that the Mercedes Historic Preservation Commission of the City of Mercedes, Texas will hold a **SPECIAL MEETING** on Thursday, July 21, 2022 at 5:45 p.m. at the Dr. Hector P. Garcia Memorial Library located at 434 South Ohio, Mercedes, Texas to consider and take formal action regarding the following item (s):

- 1.) Call Meeting to Order.
- 2.) Public Comments. Maximum length of time of public comment is forty-five minutes with individual presentations limited to a maximum of five minutes. The Preservation Commission can take no formal action on any city related matter discussed during the public comment. Persons who wish to participate in this portion of the meeting shall sign up by visiting <https://cityofmercedes.com/mercedes-historic-preservation-commission/> and registering through the zoom link and indicating the topic about which they wish to speak under the questions and comments section. No one will be able to sign up AFTER 5:20 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 Chair 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 Preservation Commission is not required to answer any question from the public. Any person who decided to directly question any member of the Preservation Commission will be asked to discontinue their comments. The Historic Preservation Officer will be responsible for notifying each presenter that their five-minute time limit has expired.
- 3.) Approval of minutes for meeting held April 12, 2022.
- 4.) Review, discussion and possible action on reimbursement of grant application for 304 S. Texas Ave.
- 5.) Presentation by Victoria Eschete on Farm Fest 2022.
- 6.) Adjourn.



Marisol Vidales, Library Director


7/18/2022
Date

* * * * *

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, THIS THE 8TH DAY OF JULY, 2022.

ATTEST:



Joselynn Castillo, City Secretary

AGENDA ITEM NO. _____**Bids/Contracts**

DATE: August 2, 2022**FROM:** Marisol Vidales, Library Director**ITEM:** Discussion and possible action on Memorandum of Understanding between Region One Educational Service Center and the City of Mercedes on behalf of the Dr. Hector P. Garcia Memorial Library.

BACKGROUND INFORMATION:

Since 2019, the library had a Memorandum of Understanding with Region One to hold English as a Second Language (ESL) classes at our facility. Due to the pandemic, no in-person classes were available for two years. Region One ESC is now returning to in-person classes and would like to reinstate our MOU and start ESL classes on August 15th. The classes will have four different sessions and run from August 15, 2022 to June 2, 2023. They will be held every Monday and Tuesday from 9 a.m. to 12 p.m. Our only requirements are to provide the space and help enroll interested students.

BOARD REVIEW/CITIZEN FEEDBACK: Choose an item.**ALTERNATIVES/OPTIONS:****FISCAL IMPACT:** None

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

Finance Review by:**LEGAL REVIEW:****ATTACHMENTS:** Memorandum of Understanding**Staff Recommendation:** Renew our yearly MOU in order to host the classes.



Memorandum of Understanding

Between

Region One Education Service Center
Office of Adult Education

And

City of Mercedes: Dr. Hector P. Garcia Memorial Library

This Agreement is entered into between the Region One Education Service Center's Adult Education Program, hereinafter referred to as "Region One ESC" and the City of Mercedes: Dr. Hector P. Garcia Memorial Library, a local education agency hereinafter referred to as City of Mercedes: Dr. Hector P. Garcia Memorial Library for the purpose of establishing an adult education and literacy program for eligible participants under provisions of the Adult Education and Family Literacy Act, Title II of the Workforce Innovation and Opportunity Act for a period beginning July 1, 2022 and ending June 30, 2023.

I. SCOPE OF SERVICES

Region One ESC agrees to provide:

- qualified instructional and administrative personnel to provide a well-designed adult education and literacy instructional program
- professional development for adult education personnel
- instructional materials for adult education courses
- instructional supplies as appropriate
- assessment instruments to establish academic functional levels and/or progress of participants
- appropriate fiscal accountability
- end of year programmatic performance reports

City of Mercedes: Dr. Hector P. Garcia Memorial Library agrees to provide:

- appropriate, safe and secure facilities for the implementation of instructional services to adult learners
- assistance to Region One staff with the recruitment of students
- access to Internet services

Facility to be used 2022-2023: City of Mercedes: Dr. Hector P. Garcia Memorial Library

II. CIVIL RIGHTS STATEMENT

The parties to this agreement shall:

Comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), The American Disabilities Act of 1990 (P.L.101-336), and all amendments to each, and all requirements imposed by the regulations issued pursuant to these acts. In addition, the parties agree to comply with Title 40, Chapter 73, of the Texas Administrative Code. These provide in part that no persons shall, on the grounds of race, color, national origin, sex, age, disability, political, or religious beliefs be excluded from participation in, or denied, any aid, care, service or other benefits provided by federal and/or state funding, or otherwise be subjected to discrimination and the Texas Revised Civil Statutes Article 4419b-4, Sections 5.03 and 5.04 (relating to workplace and confidentiality guidelines regarding AIDS and HIV).

III. TERMINATION OF MEMORANDUM OF UNDERSTANDING

During the term of this Agreement, if either party becomes unable or fails to satisfactorily provide the services under this Agreement or decides to terminate for no cause, the Agreement may be terminated by either party with a thirty (30) day written notice.

The validity of this agreement and of any of its terms and provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Texas.

Executed this ____ day of _____, 20____.

Grantor: _____
Address: _____
City/St/Zip: _____

Contractor: Region One Education Service Center
Address: 1900 W. Schunior,
City/St/Zip: Edinburg, TX 78541

Authorized Designee

Dr. Judith Solis Deputy Director
Division of Admin Leadership,
School, and Community Support

CONSENT ITEM : NO

DATE: August 2, 2022**FROM:** Nereida Perez, Finance Director**ITEM:** Approval to secure bids for Audit services for FYE 2022

BACKGROUND INFORMATION:

The City of Mercedes secured Audit bids for FYE 2021.

Staff is requesting authorization to go out for bids for FYE 2022.

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. Audit Specs

DRAFT MOTION: Move to authorize staff to secure bids for Auditing services.

CITY OF MERCEDES, TEXAS
REQUEST FOR PROPOSALS (RFP)
AUDITING SERVICES
FISCAL YEAR ENDING SEPTEMBER 30, 2022

Background Information

The City of Mercedes is a Home Rule Municipal Government with a City Commission- City Manager form of government. Pursuant to its provisions, and subject only to the limitations imposed by the Constitution, laws and statutes of the State of Texas, and by its City Charter, all powers of the City of Mercedes shall be vested in the elected City Commission which shall enact local legislation, adopt budgets, determine policies, and appoint a City Manager, who in turn will be held responsible to the City Commission for the execution of the laws and the administration of the government of the City.

The City of Mercedes shall have power to, among others, construct and maintain, or require the construction and maintenance, within or without its corporate limits (CCN jurisdictions), streets, flood control and sanitary facilities, water, and/or storm drainage facilities in, over, under or upon all public property or easements granted for that purpose and to levy assessments for the costs of such improvements.

The City of Mercedes has a General Fund (Operating Fund), Enterprise Fund (Utility), EMS Fund and some smaller special accounts as indicated in the Audited Financial Reports ending September 30, 2021. The City's Finance Department consists of a Finance Director with (4) four full-time employees to run the daily operations of the City's budget. Mercedes' software is hosted by Tyler Tech and is currently using Incode and we would have the flexibility to provide some confidential remote access, as requested and as needed.

The City of Mercedes has issued a Request for Proposals (RFP) for auditing services for fiscal year ending September 30, 2022, with the option of auditing the City's financial statements for one subsequent fiscal year, September 30, 2023. The work will also include the component unit of the Development Corporation of Mercedes, Inc which will require a separate report and opinion for fiscal year ending September 30, 2022 with the optional subsequent year of September 30, 2023.

Request for Proposals must be submitted no later than Wednesday, August 17, 2022 at 10:00AM at which time they will be opened in the City Manager's office. Any RFP's received after the deadline shall be returned unopened. Request for Proposals submitted via fax will not be accepted.

Fund Structure

The City uses the following fund types in its financial reporting:

Governmental	September 30, 2022	Annual Budget
General Fund	1	1
Special Revenue Fund	11	1

Debt Service Fund	1	1
Capital Projects Funds	3	
Enterprise	1	1
EMS	1	1

The City prepares its budgets on a basis consistent with generally accepted accounting principles. The legal level of control is at the department level. The City includes the presentations for the general and major special revenue funds as required supplementary information.

Federal Financial Assistance

The City had grants and federal revenues expended by the City during the fiscal year ended September 30, 2021 some of which continued thru fiscal year September 30, 2022, therefore the RFP should include the estimated cost for a Single Audit, but may not be required.

RFP Questions

Please direct any written questions regarding the City's financial statements and budget process to Finance Director Nereida Perez at (956) 565-3114 ext. 159 or by email at nperez@cityofmercedes.com on or before 5:00 p.m. Wednesday, August 10, 2022.

The question(s) and response(s) shall be provided through email to all known prospective applicants and posted on the website as an addendum.

Selection of Applicant(s)

The contract for auditing services shall be for the City's and EDC's annual audit for the period ending September 30, 2022, with the option of auditing the City's financial statements for one subsequent fiscal year, September 30, 2023.

Upon selection of the applicant by the City Commission, they will be contacted to submit the engagement letter for management approval.

It is further stated by the City of Mercedes that the performance and services to be provided will be paid from current revenues available.

Proposal Content

1. Describe your organization & the type of organization it is (LLC, etc.), date founded, and ownership of your firm as well as any subsidiaries and affiliates.
2. Describe the size of your organization, the location and phone numbers of the office from which the work on this engagement is to be performed.
3. Describe the experience of your organization, and its employees assigned to this engagement in performing financial consulting services.
4. Disclose if any governmental entity dropped your organization in the last 3 years and, if so, disclose the details on why that occurred; provide contact data for the identified entities.
5. Have previous clients and/or employers filed lawsuits against your organization, or the owner personally, in the last 5 years? If so, disclose the details of those cases and

- if they have been settled or are still pending.
6. Identify the credentials, including any licensing and/or certification, of key personnel that will be involved in this engagement, in particular their experience in accounting with municipal government accounts.
 7. Provide a brief summation of the reason you believe your organization should be selected, particularly, the unique capabilities that distinguish it from other applicants.

Evaluation Criteria

The following substantially represents the principal selection criteria that will be considered during the evaluation process:

- The applicant and/or the key personnel have received adequate continuing professional education in their field of expertise within the preceding three years.
- The proposer has no conflict of interest with regard to any other work requested by the City of Mercedes.
- The proposer exhibits expertise based on past experience and performance on comparable government engagements.
- The quality of the professional personnel to be assigned to this engagement, and the quality of the proposer's management support personnel to be assigned to the engagement.
- Any other criteria the City Commission may consider to factor-in during the review process, including the verbal presentation of the applicant's proposal.
- The proposer will have sufficient personnel and dedication to present audit to the City Commission no later than 120 days following the close of the fiscal year.

Conditions for Submission of Proposal

All Request for Proposals in response to this request must meet the following conditions to be considered:

- Proposal must include a cover letter clearly stating the name of the organization and name, address and telephone number of the proposer's representative.
- Proposal must address each of the items listed under 'Proposal Content'.
- List at least three (3) public sector clients that are similar to the engagement described in this Request for Proposals. Indicate the scope of work, contract period, engagement partner, and the name and telephone number of the principal client contact.
- **The City of Mercedes reserves the right to postpone, to accept or to reject any and all proposals, to waive any informalities in the proposal process and to negotiate portions thereof. Proposals that address only part of the requirements contained in this Request for Proposals will not be considered.**
- The Request for Proposals may be held for a period not to exceed thirty (30) days from the date of opening for the purpose of reviewing the proposals and investigation of the statement of qualifications and making recommendation to the City Commission for award.
- The proposer shall furnish such additional information that the City of Mercedes may reasonably require.

- The City of Mercedes will not be liable for any cost incurred in the preparation of proposals.

Procedures for Submitting sealed Proposals

One (1) original and three (3) copies of the Request for Proposals with fee schedule(s) for both 2022 and optional fiscal year 2023 must be submitted and shall be addressed to: City Secretary Joselynn Castillo, 400 S. Ohio, Mercedes, TX. 78570 and clearly marked "Sealed RFP for Auditing Services" on the outside of the packet. **Deadline: 10:00 A.M. Wednesday, August 17, 2022.**

Joselynn Castillo
Interim City Secretary
City of Mercedes, Texas

POSTED ON THIS THE _____ DAY OF _____, 2022

Joselynn Castillo, Interim City Secretary