

**MERCEDES CITY COMMISSION
SPECIAL MEETING
AUGUST 19, 2024 – 6:30 P.M.
MERCEDES CITY HALL – COMMISSION CHAMBERS**

MEMBERS PRESENT:	Oscar D. Montoya Sr. Dr. Ruben Saldana Dr. Jacob C. Howell Armando Garcia Joe Martinez	Mayor Mayor Pro-Tem Commissioner Commissioner Commissioner
STAFF PRESENT:	Alberto Perez Joselynn Castillo Martie Garcia Vela Meredith Hernandez Francisco Sanchez Juan Vasquez Tom Villagomez Marisol Vidales	City Manager City Secretary City Attorney (Virtual) Interim Finance Director Police Chief I.T Specialist Public Works Director Library Director

OTHERS PRESENT: Ruth Valdez, Melissa Ramirez, Hiram Gutierrez, Romeo Cantu, Janelle Caso, Joel Quintanilla, Diana Garza

1. CALL MEETING TO ORDER

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

2. ESTABLISH QUORUM

All members of the commission were present which constitutes a full quorum.

3. INVOCATION

Commissioner Martinez said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Howell led in the pledge of allegiance.

5. OPEN FORUM:

- Ms. Diana Garza addressed the Commission regarding agenda items 7A and 11A. She expressed concern about a fire that occurred on her property and alleged that the police report was falsified and fabricated. On July 27, she discovered her cedar fence had been burned. When she visited the city on Monday, July 29, 2024, she requested both a fire report and a police report. However, she was not provided with the police report and inquired with the City Secretary about its absence. On August 5, 2024, Ms. Garza met with Mr. Perez to again request the police report. She mentioned that she had recently evicted a tenant and strongly believed the fire was an act of arson, initially requesting an investigation but later canceling it. Ms. Garza stated that the police report contained incorrect information, including the date, time, and location of the incident. She emphasized that falsified reports cannot be tolerated and also noted that meeting minutes from August 2022 through July 2023 had not been posted.

6. PRESENTATION:

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

Mr. Hiram Gutierrez presented the Commission with a report on delinquent taxes collected over the past nine months. He highlighted that during this period, they made 1,200 phone contacts, mailed 918 letters, and updated 264 addresses as part of pre-litigation efforts. Additionally, they conducted 142 field inspections and arranged 16 payment plans. For cases in litigation, 64 petitions were filed, 1 tax warrant was issued, and 6 cases involved bankruptcy. The City collected \$188,223 in base tax and \$99,603 in penalties and interest, totaling \$287,826.

In response to a question, Mr. Gutierrez explained that residents are given the opportunity to make payment arrangements or request exemptions or deferrals. He noted that the delinquent tax roll increased by three percent compared to the same period last year, but the city has managed to keep delinquencies under \$1 million, with 35% of the total amount in deferrals. They focus on both the dollar amounts and the number of years owed. Mayor Montoya inquired about the number of accounts that are not on deferral and can be collected from. Mr. Gutierrez clarified that accounts cannot be written off from the tax roll until 10 years have passed.

He continued by discussing tax sales collections, court collections, and the top 10 zip codes by debtors, emphasizing that there is no statute of limitations on these collections. From 2016 to 2024, a total of \$574,021 has been collected. Cases that are resolved are either dismissed or not collected. There were no further questions, and no action was required.

b. Presentation of the Draft Budget for DCM for Fiscal Year 2024-2025

Ms. Melissa Ramirez provided an overview of the changes to the budget, noting that all items in red represent the updates. She mentioned that the outlet mall is projecting an increase in revenue. The city is involved in two key projects: one for a Marketing Specialist and another with VTX Company for the purchase of the light industrial park.

She reviewed the uses of cash, highlighting an increase in rent for the EDC due to building improvements made by the chamber. The EDC will also be funding the Little Nashville project. There is ongoing discussion about a Downtown Development signage improvement grant. Mayor Montoya clarified that the EDC previously had a façade grant, primarily benefiting rented properties, but it has since evolved into a signage program for 6th Street to the frontage road. They are also continuing with Geofencing efforts.

Ms. Ramirez mentioned changes to the marketing budget and discussed a potential project for artwork on buildings. The EDC will host meetings, sponsor lunches, and provide certifications and workshops. She also mentioned a project near Formacio's to install outdoor lighting. Additionally, they have increased sponsorships for the RGVLS and Aurora House. Ms. Ramirez noted that they will finish paying off the leverage fund this year and emphasized that the current budget is balanced. The murals and marketing initiatives were particularly highlighted.

Commissioner Martinez inquired about placing one of the murals on the Civic Center wall facing Business 83. Ms. Ramirez responded that this is a draft budget and that she will return with the finalized version.

7. CONSENT AGENDA:

a. Approval of Minutes for Meeting(s) held July 30, 2024, August 6, 2024 & August 12, 2024

b. Second and Final Reading of Ordinance 2024-08 to adopt the City of Mercedes Budget for FY 24-25

Commissioner Martinez motioned to approve the items under consent agenda. Commissioner Garcia seconded. At a question, Mr. Perez clarified that the city will be going out for RFP's for the roof repair for city hall. Upon a called vote, the motion passed unanimously.

8. MANAGEMENT ITEMS:

a. Request for Funding from VIDA for FY 24-25

Ms. Irma Garcia addressed the Commission regarding VIDA, an organization that helps students overcome barriers and develop their skills. She emphasized that with city funding, VIDA could extend its support to more students. While the benchmark was to serve 5 Mercedes residents, VIDA has actually assisted 7 residents, highlighting that the city's contribution is an investment in its community.

Ms. Veronica Vega then shared her personal story, expressing deep gratitude for the assistance she received from VIDA. She recounted her struggles and the support she received, which helped her graduate from college. Now a registered nurse, she thanked the City of Mercedes for partnering with VIDA and helping her achieve her goals. Following this, Commissioner Martinez motioned to approve the funding, and Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously. Ms. Garcia concluded by mentioning that approximately 700 students across the valley have been supported by VIDA this fiscal year.

b. Approval to Appoint Members to the Library Board

Ms. Vidales informed the Commission that the term of three members, Ms. Jones, Ms. Saldana and Mr. De Leon, had ended in June. Mr. De Leon expressed his willingness to step down for others to join. Ms. Vidales mentioned that they had received an application from Ms. Shantel Garay. Her recommendation

was to renew Ms. Jones and Ms. Saldana and to appoint Ms. Shantel Garay. Commissioner Martinez motioned to approve the library director's recommendation. Mayor Pro-Tem Saldana abstained from the vote. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

9. ORDINANCES/RESOLUTIONS:

a. Approval of Resolution 2024-25 to establish a fund account for the Mercedes Historical Preservation Commission fundraising

Ms. Hernandez requested approval to open a bank account for the historical committee, with the goal of raising funds for a museum. She noted that the city would manage the account and will provide the commission with regular reports on the funds. She also mentioned that \$2,000 has already been raised. Commissioner Martinez motioned to approve. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

b. Approval of Grant Reimbursement for Historically designated property located at 402 S. Texas

Commissioner Martinez motioned to approve. Commissioner Garcia seconded. Commissioner Martinez stated that Mr. Cooper spent the funds from his own account and will only be reimbursed \$10,000 which is the reimbursable amount for the roof grant. Ms. Vidales explained the process for reimbursement. Upon a called vote, the motion passed unanimously.

10. BIDS/CONTRACTS:

a. Approval of Interlocal Agreement for Police Services between the City of Mercedes and the Mercedes ISD

Commissioner Howell motioned to approve. Commissioner Martinez seconded. Chief Sanchez stated they enhanced the funding for an increase on the resource officers. Chief Sanchez stated the schools have an armed guard but the city resource officers are mobile. He stated the officers are training the crossing guards. Upon a called vote, the motion passed unanimously.

11. MONTHLY DEPARTMENTAL REPORTS:

Mayor Pro-Tem Saldana commented on the reports and how they are adding more information is helping. Commissioner Martinez motioned to go into executive session. Commissioner Garcia seconded. The meeting went into executive session at 7:55 p.m.

12. EXECUTIVE SESSION:

- a. Discussion with City Manager regarding personnel matters – Section 551.074**
- b. Consultation with Attorney regarding update on litigation – Section 551.071**
- c. Consultation with Attorney regarding contracts – Section 551.071**
- d. Consultation with Attorney regarding Economic Development Projects – 551.087**

Mayor Montoya called the meeting back to open session at 9:09 p.m.

13. OPEN SESSION:

- a. Possible Action pertaining to executive session item a**
No Action
- b. Possible Action pertaining to executive session item b**
No Action
- c. Possible Action pertaining to executive session item c**
No Action
- d. Possible Action pertaining to executive session item d**
No Action

14. ADJOURNMENT

Commissioner Martinez motioned to adjourn. Mayor Pro-Tem Saldana seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 9:09 p.m.