
MERCEDES CITY COMMISSION
REGULAR MEETING
SEPTEMBER 2, 2025 – 6:30 PM
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.”

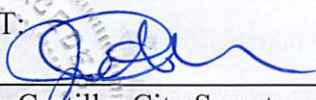
1. **Call Meeting to Order**
2. **Establish Quorum**
3. **Invocation by Commissioner Martinez**
4. **Pledge of Allegiance by Commissioner Garcia**
5. **Open Forum**
6. **Consent Agenda**
 - a. Approval of Minutes for Meeting(s) held August 19, 2025
 - b. Second and Final Reading of Ordinance 2025-24 amending Building Related Fees Ordinance
 - c. Second and Final Reading of Ordinance 2025-22 approving the Reimbursement Agreement for Olivarez Organization as it relates to TIRZ No. 2
 - d. Second and Final Reading of Ordinance 2025-25 and Consider rescinding Development Agreement approved for San Jacinto Enterprises, LLC on August 5, 2025; Consider approval of the Development Reimbursement Agreement with San Jacinto Enterprises, LLC for capital investments made in TIRZ #2, City of Mercedes as amended.
 - e. Approval of items for surplus to be sent for Auction
7. **Management Items:** Present, discuss, consider and possibly take action regarding:
 - a. Discussion and Action regarding the Development Corporation of Mercedes Budget for FY 25-26
 - b. Discussion and Action for vote on Proposed Tax Rate and to schedule a Public Hearing for September 16, 2025
 - c. Approval of Interlocal Cooperation Agreement between the County of Hidalgo, Texas and the City of Mercedes, Texas as a mutual agreement for the development of projects
8. **Ordinances/Resolutions**
 - a. Second and Final Public Hearing for the Voluntary Annexation of Salvador Roel Garcia and Jeffrey Adam Bryant
 - 1) Approval of First Reading of Ordinance 2025-26 regarding the voluntary annexation of Salvador Roel Garcia and Jeffrey Adam Bryant
 - b. PUBLIC HEARING regarding the proposed budget for FY 2025-2026

- 1) Approval of First Reading of Ordinance 2025-27 to adopt the City of Mercedes Budget for FY 24-25
 - c. Consideration and Approval of a Resolution 2025-19 requesting Financial Assistance from the Texas Water Development Board Drinking Water State Revolving Fund for Constructing various public improvements to the City's Utility System; Authorizing the City's Financial Advisors, Bond Counsel, and Engineers to Coordinate the submission of the Application to the Texas Water Development Board; and other matters in connection therewith
9. **Executive Session: Chapter 551, Texas Government Code, Section 551.071 (Consultation with Attorney), Section 551.072 (Deliberation regarding Real Property), Section 551.074 (Personnel Matters) and Section 551.087 (Economic Development)**
- a. Discussion with City Manager regarding personnel matters - Section 551.074
 - b. Consultation with Attorney regarding update on litigation - Section 551.071
 - c. Consultation with Attorney regarding Project Anchor - Section 551.087
 - d. Discussion regarding Conveyance of Real Estate to Development Corporation of Mercedes: Bixby S735.5' -W862.43' IRR TR -S of HWY 83 Lot 5 & An IRR TR E202.58' -S665.51' Lot 6 17.338 AC GR 17.118 AC Net - Section 551.072
10. **Open Session**
- a. Possible Action pertaining to executive session item A
 - b. Possible Action pertaining to executive session item B
 - c. Possible Action pertaining to executive session item C
 - d. Possible Action pertaining to executive session item D
11. **Adjournment**

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a Regular Meeting on Tuesday, September 2, 2025 at 6:30 PM. 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 26TH DAY OF AUGUST, 2025.

ATTEST:



Joselynn Castillo, City Secretary

Time of Posting: 3:00 P.M.

ACCESSIBILITY STATEMENT

The City of Mercedes recognizes its obligations under the Americans with Disabilities Act of 1990 to provide equal access to individuals with disabilities. Please contact the City Manager's Office at (956) 565-3114 at least 48 hours in advance of the meeting with requests for reasonable accommodations, including requests for a sign language interpreter.

**MERCEDES CITY COMMISSION
REGULAR MEETING
AUGUST 19, 2025 – 6:30 PM
MERCEDES CITY HALL – COMMISSION CHAMBERS
400 S. OHIO AVE., MERCEDES, TX 78570**

MEMBERS PRESENT: Mayor Oscar Montoya
Commissioner Joe Martinez
Commissioner Jacob Howell
Commissioner Armando Garcia
Mayor Pro-Tem Ruben Saldana

MEMBERS ABSENT:

STAFF PRESENT: Alberto Perez, City Manager
Joselynn Castillo, City Secretary
Martie Garcia Vela, City Attorney (Virtual)
Meredith Hernandez, Interim Finance Director
Francisco Sanchez, Police Chief
Juan Vasquez, I.T Specialist
Tom Villagomez, Public Works Director
Marisol Vidales, Library Director

OTHERS PRESENT:

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 by Commissioner Garcia

4. Pledge of Allegiance Commissioner Howell

Commissioner Howell requested the softball team to lead the pledge.

5. Open Forum

There were no residents signed up for open forum.

6. Presentation

a. Proclamation for NRA

Ms. Liz Foley, a representative of the NRA, introduced the organization's first-time program in Mercedes to promote safety and education. She explained that they are partnering with the Police Department and have provided the Eddie the Eagle costume, which teaches children the "Stop, Don't Touch, and Walk Away" message. Ms. Foley also welcomed everyone to the City's first-ever Community Day, a free event scheduled for

September 20, 2025, at the Stock Show. Mayor Montoya emphasized the importance of gun safety and read the proclamation.

b. Proclamation for the Pony League Divisions

Mayor Montoya recognized the players by reading their names, congratulated them on their season, and then proceeded to read the proclamation.

Commissioner Martinez moved to enter Executive Session, with Commissioner Garcia seconding the motion. Upon a called vote, the motion carried unanimously, and the meeting recessed into Executive Session at 7:00 p.m.

Mayor Montoya reconvened the meeting at 8:12 p.m. and continued with the presentations.

c. Presentation by USW regarding Water Safety and Chemical Levels

Commissioner Howell stated that he requested this item be placed on the agenda. Mr. Eliberto Gonzalez with USW presented the Water Quality Report and informed the Commission that it is available on the City's website. He reported that the water supply consists of 3.78 from surface water and 1.78 from groundwater. The water remains within safe limits, and the report confirms that the City's water is clean. He noted that the water was tested in 2024 and meets both state and federal standards.

d. Presentation by Perdue Brandon Fielder Collins & Mott, LLP of the Collection Report October 1, 2024 - June 30, 2025

Mr. Hernan Gutierrez with PBFCM presented two reports regarding delinquent tax collections. He explained that the delinquent tax program works with property owners to resolve outstanding balances through phone calls, mail, and field inspections, with litigation used only as a last resort. He reported that 19 payment agreements have been established, and PBFCM has intervened 60 times. Seven properties were posted for tax sale, with four sold and one struck off. PBFCM also assists with mowing liens.

Mr. Gutierrez stated that over \$229,000 in base tax has been collected this year, compared to \$193,000 last year. Discussion followed regarding homestead exemptions, condemned properties, and deferrals. In response to a question, Ms. Janelle Caso provided information about the downtown furniture store. Mr. Gutierrez noted that refunds increased due to late-filed homestead exemptions, which may be applied retroactively for up to two years, requiring refunds to property owners who had paid during that period. He also explained that properties offered at tax sale must be sold at either the tax value or the amount owed; if not, they are struck off and become owned by the taxing entities, after which they may be resold at any amount.

Mr. Gutierrez then presented the Finance Fee Collection Report. He reported that through calls and mailings, PBFCM collected \$70,957 in liquidated fees this year, compared to \$47,000 last year. Since 2016, a total of \$363,000 has been collected.

7. Consent Agenda

- a. Approval of Minutes for Meeting(s) held August 5, 2025
- b. Second and Final Reading of Ordinance 2025-19 approving the Final Project Plan for TIRZ No. 2
- c. Second and Final Reading of Ordinance 2025-20 approving the Tri-party Agreement for TIRZ No. 2
- d. Rescind First Reading of Ordinance 2025-21 approving the Reimbursement Agreement for San Jacinto Enterprises as it relates to TIRZ No. 2
- e. Second and Final Reading of Ordinance 2025-23 approving the draft interlocal agreement with the County as it relates to TIRZ No. 2

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

8. Management Items: Present, discuss, consider and possibly take action regarding:

- a. Approval of Funding Proposal from VIDA for FY 2025-2026

Mr. Isidro Ramos with VIDA presented the proposal for the next fiscal year, requesting \$25,000 in funding. He stated that for every dollar received, there is a \$15 return, and the funding would support a minimum of five Mercedes residents. Ms. Sarah Peña shared her personal experience with the program, noting that the City's contribution helped her complete her school program and emphasizing the program's benefits. Mr. Ramos also reported that VIDA continues to secure grants, allowing them to assist more individuals from Mercedes.

Commissioner Martinez moved to approve the funding request, with Commissioner Garcia seconding. Upon a called vote, the motion passed unanimously.

- b. First Public Hearing for the Voluntary Annexation of Salvador Roel Garcia and Jeffrey Adam Bryant

Mayor Montoya opened the public hearing at 8:49 p.m. There were no comments from the public. Mayor Montoya closed the public hearing at 8:52 p.m.

- c. Approval of appointment(s) of Members to the Keep Mercedes Beautiful Committee
Commissioner Martinez motioned to approve the staff's recommendation. Commissioner Saldana seconded. Upon a called vote, the motion passed unanimously.

9. Ordinances/Resolutions

- a. Approval of First Reading of Ordinance 2025-24 amending Building Related Fees Ordinance

Commissioner Martinez motioned to approve the ordinance for A, B and C and forego the reading. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

- b. TABLED: Approval of First Reading of Ordinance 2025-22 approving the Reimbursement Agreement for Olivarez Organization as it relates to TIRZ No. 2

- c. Approval of First Reading of Ordinance 2025-25 and Consider rescinding Development Agreement approved for San Jacinto Enterprises, LLC on August 5, 2025; Consider approval of the Development Reimbursement Agreement with San Jacinto Enterprises, LLC for capital investments made in TIRZ #2, City of Mercedes as amended.

10. Monthly Departmental Reports

- a. Recreation Center, Planning, Library, Parks, Fire Dept., City Sec/HR, IT, PD

Mayor Pro-Tem Saldana inquired about the Recreation Center programs. Mr. Villela reported that Mr. Morin has been coordinating with other cities to organize interlock play for a fall baseball league. Mayor Pro-Tem Saldana also recommended consideration of a disc golf course. Commissioner Martinez shared a story to illustrate the value of investing in parks and fields, noting how TYFA accepted children in need of direction and allowed them to participate for free, provided they maintained good grades.

Chief Sanchez reported that officers have been assigned at times to 3rd Street to monitor compliance with the new one-way designation. He stated that warnings are being issued to increase public awareness, although some citations have been given. Mayor Montoya recommended that “Do Not Enter” be painted on the roadway. Chief Sanchez also reviewed the Animal Control report, noting that 71 dogs were taken to the shelter.

Ms. Hernandez provided information regarding collected fees, the Redstone development, and the North Alamo buyout. Mayor Montoya recommended consolidating all buyouts into one list. Mr. Perez added that property owners may petition to be removed from the buyout.

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)

Commissioner Martinez moved to enter Executive Session for the second time, covering Items A and C. Commissioner Garcia seconded the motion. Upon a called vote, the motion carried unanimously, and the meeting recessed into Executive Session at 9:11 p.m.

- 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 Project Updates - Section 551.087
- d. Discussion regarding Economic Development negotiations with Project Gomez, Project American Legion, Project J. San Miguel, Project Retama Ledesma, Project M30, Project Stay, Project Kamel, Project ASHTI, Project Arts, Project QSR, Project 150, Project M2, Project Cruz, Project M. Carrillo, Project Bert Ogden, Project A. Garcia, Project RGVLS, Project G. Schwarz, Project Coffee, Project Carwash, Project Rios, and Project UT - Section 551.087

- e. Discussion regarding Conveyance of Real Estate to Development Corporation of Mercedes: Mercedes Original Townsite S. 88.5' -E 110' BLK 2 - Section 551.072

12. Open Session

Mayor Montoya reconvened the meeting at 9:37 p.m.

- a. Possible Action pertaining to executive session item A
No action was taken on this item.
- b. Possible Action pertaining to executive session item B
Mayor Pro-Tem Saldana moved to have the attorney move forward as discussed in the executive session. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously.
- c. Possible Action pertaining to executive session item C
No action was taken on this item.
- d. Possible Action pertaining to Executive Session item D
Mayor Pro-Tem Saldana motioned to accept the amendment for Project M30 for \$500,000. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously. There was no action on the other projected listed.
- e. Possible Action pertaining to executive session item E
Mayor Pro-Tem Saldana motioned to accept the conveyance. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously.

13. Adjournment

Commissioner Martinez motioned to adjourn. Mayor Pro-Tem Saldana seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 9:40 p.m.

ORDINANCE NO. 2025-24

AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, AMENDING ORDINANCE NO. 2012-01; AMENDING THE CITY OF MERCEDES CODE OF ORDINANCES, APPENDIX, ARTICLE 4; ESTABLISHING UPDATED PERMIT FEES; ADDING PENALTIES FOR WORK COMMENCING PRIOR TO ISSUANCE OF A PERMIT; ESTABLISHING AN EMERGENCY INSPECTION FEE; UPDATING REGULATIONS FOR CONTRACTOR PERMIT FEES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Mercedes, Texas, finds that it is necessary to periodically review and update the City's permit fee schedule to reflect current costs of services and to ensure fair and equitable application of such fees; and

WHEREAS, the City Commission further finds that commencing construction or other regulated work without first obtaining the required permits undermines public safety, compliance, and enforcement, and that penalties should be established to deter such actions; and

WHEREAS, the City Commission recognizes the need for an emergency inspection fee to recover costs associated with providing expedited inspection services outside of normal scheduling; and

WHEREAS, the City Commission also finds that the regulations concerning contractor permit fees should be updated to ensure they are consistent, enforceable, and reflective of current administrative practices; and

WHEREAS, the City Commission has determined that these amendments are necessary and proper to protect the public health, safety, and welfare of the residents of Mercedes, Texas;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MERCEDES, COUNTY OF HIDALGO, STATE OF TEXAS, THAT:

SECTION I. BUILDING AND CONSTRUCTION PERMIT FEES.

(a) Schedule of fees. The following fees shall be charged for the work shown. Other fees may be required under other ordinances. In the event that a permit is to be issued for work not shown below, a fee shall be charged based upon a category of work shown which most nearly resembles the work intended. The permit fees listed may be doubled if work is started prior to the permit being issued.

(1) Building permit fees.

(A) Base residential building permit fees.

Residential Building Permit Fee - Based on Square Feet	
0-1,200 sq. ft.	\$0.30 cents per square ft.
1,201 - 2,000 sq. ft.	\$0.30 cents per square ft.
2001 sq. ft. and up	\$0.30 cents per square ft.

- A nonrefundable plan review of \$150.00 shall be assessed to all residential building permit applications at time of submittal.

- (B) Base commercial building permit fees. Commercial building permit fees charged, including Multifamily, for: New construction, additions, alterations, remodels and repairs of a building, shall be based on the current International Code Council building schedule of valuation amounts per square foot of improvement adopted every year.

Construction Value	Fee
\$0 and up to \$2,000	\$65.00
\$2,001 and up to \$25,000	\$66.00 for 1st \$2,000 Plus \$13.25 ea. addtl. \$1,000 or fraction
\$25,001 and up to \$50,000	\$367.25 first \$25,000 Plus \$10.25 ea. addtl. \$1,000 or fraction
\$50,001 and up to \$100,000	\$605.25 first \$50,000 Plus \$7.25 ea. addtl. \$1,000 or fraction
\$100,001 and up to \$500,000	\$932.25 first \$100,000 Plus \$5.25 ea. addtl. \$1,000 or fraction
\$500,001 and up to \$1,000,000	\$3,032.25 first \$500,000 Plus \$5.25 ea. addtl. \$1,000 or fraction
more than \$1,000,000	\$5,263.25 first \$1,000,000 Plus \$3.25 ea. addtl. \$1,000 or fraction

*A nonrefundable plan review fee shall be assessed to all commercial and multifamily building (three or more dwelling units in a building), single, and two-family residential building permit applications at the time of submittal. A building permit application is not considered received until the plan review fee has been paid. The nonrefundable plan review fee shall be assessed at 35% of the building permit fee

(2) Contractor permit fees.

- (A) There shall be a license registration fee of one hundred and fifty dollars (\$150.00) for all ~~electrical, plumbing, and mechanical~~ contractors conducting business in the city except for **electrical, plumbing, and mechanical contractors as per Texas Occupations Code, Section 1301.551(g).**

- (B) There shall be a renewal fee of one hundred dollars (\$100.00). ~~for all electrical, plumbing, and mechanical contractors conducting business in the city.~~

(3) Demolition permit fees.

0 to 1,000 sq. ft.	\$100.00 + inspection fee
Plus for every addtl. 500 sq. over 1,000 sq. ft.	\$20.00
Inspection fee	\$25.00
Reinspection fee	\$50.00

(4) Mechanical permit fees. Applies to new or alterations/addition to existing systems

Base permit fee	\$45.00
Reinspection	\$50.00
Heating, ventilation, ductwork, air-conditioning and refrigeration systems:	
1 ton basis for the first 4 tons (each)	\$6.00
Each ton between 4 and 10 tons	\$3.00
Each ton above 10 tons	\$1.50
All boilers (based on BTU input)	
33,000 BTU to 165,000 BTU	\$5.00
1650,001 BTU to 330,000 BTU	\$10.00
330,001 BTU to 1,165,000 BTU	\$15.00
1,165,000 BTU to 3,300,000 BTU	\$20.00
Over 3,300,001 BTU	\$25.00
Emergency inspections:	
Requested with less than ½ day's notice:	\$30.00
Inspections requested for after 4:30 p.m.:	\$80.00

(5) Plumbing permit fees.

- (A) Base permit fee: \$45.00.
- (B) Reinspection fee: \$50.00.
- (C) Each plumbing fixture: \$5.00.
- (D) Floor drain or trap: \$12.00.
- (E) Water heater: \$6.00.
- (F) Installation/repairs of water piping: \$12.00.
- (G) Repair/alt. of drainage or vent piping: \$12.00.
- (H) Vacuum breakers or backflow device
- (I) Installed after install of piping: \$3.00.
- (J) Irrigation/sprinkler system: \$50.00.
- (K) Grease trap: \$25.00.
- (L) Septic tank: \$25.00.
- (M) Emergency inspections:
 - 1. Requested with less than ½ day's notice: \$30.00
 - 2. Inspections requested for after 4:30 p.m.: \$80.00

(6) Gas permit fees.

(A) Base permit fee: \$45.00.

(B) Reinspection fee: \$50.00.

(C) Gas line test: \$30.00.

(D) Gas line repair: \$10.00.

(E) Emergency inspections:

1. Requested with less than ½ day's notice: \$30.00

2. Inspections requested for after 4:30 p.m.: \$80.00

(7) Electrical permit fees.

(A) Base permit fee: \$45.00.

(B) Reinspection fee: \$50.00.

(C) New meter service: \$25.00.

(D) Replace/upgrade meter service: \$20.00.

(E) Reconnect (Residential): \$35.00.

(F) Reconnect (Commercial): \$60.00.

(G) Temporary pole fee: \$15.00.

(H) Working clearance: \$35.00.

(I) Each circuit: \$4.00.

(J) Each motor: \$2.50.

(K) Each sign or decorative light: \$2.50.

(L) Each 220-volt fixture: \$2.50.

(M) Each outlet/light switch: \$0.40.

(N) Emergency inspections:

1. Requested with less than ½ day's notice: \$30.00

2. Inspections requested for after 4:30 p.m.: \$80.00

(8) RES-Check compliance report fees.

(A) Review of RES-check compliance report (Residential): \$20.00.

(B) Review of RES-check compliance report (Nonresidential): \$50.00.

(9) Certificate of occupancy fee. Excludes single-family.

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

(10) Building permits flat fees:

- (A) Carport: \$150.00
- (B) Deck: \$150.00
- (C) Fence: \$50.00
- (D) Full Remodel: \$300.00
- (E) General Repairs: \$150.00
- (F) Residential re-roof: \$200.00
- (G) Storage Shed: \$50.00
- (H) Residential swimming pool: \$350.00
- (I) Foundations: \$150.00

(11) Administrative fees.

- (A) Reprint of any lost permits: \$30.00.
- (B) Lien processing (any type): \$85.00.
- (C) Conditional use permit: \$200.00.
- (D) Conditional use renewal: \$25.00.
- (E) Rezone: \$300.00.
- (F) Variance: \$250.00.
- (G) Building code variances: \$100.00.
- (H) Business licenses: \$100.00.
- (I) Business licenses renewal: \$80.00
- (J) Subdivision plat fee: \$600, plus a \$30 per lot fee.
- (K) Plat filing fee
 - 1. \$100.00 (10 acres or less).
 - 2. \$150.00 (10 - 50 acres).
 - 3. \$250.00 (50+ acres).

- (L) Replat filing fee: \$250.00.
 - (M) Preconstruction conference: \$100.00.
 - (N) Materials testing fee: 3.5% of construction cost.
 - (O) Development inspection fee: 3% of construction cost.
 - (P) Multi-page questionnaire: \$150.00.
 - (Q) Zoning verification letter: \$15.00
 - (R) Letter of compliance: \$15.00
 - (S) Permit extension: The fee for a permit extension shall be calculated based on the percentage of construction completion as determined by the Building Official.
- (12) Health inspections/Code enforcement fees. All health inspections fees are charged yearly and includes quarterly inspections.
- (A) Restaurants/convenience/grocery: \$250.00.
 - (B) Bars/lounges: \$250.00.
 - (C) Meat and seafood: \$250.00.
 - (D) Tortillerias: \$250.00.
 - (E) Day-care and group homes: \$250.00.
 - (F) Mowing fees per lot up to 1/2 acre plus \$50.00 every 1/2 acre or less there after: \$250.00.
- (13) Vendor fees.
- (A) Produce vendors (3 months consecutively): \$100.00.
 - (B) Holiday vendors (1-14 days): \$25.00 per day.
 - (C) Mobile food vendors (3 months consecutively): \$100.00.
 - (D) Event permit: \$75.00 + \$15.00 per booth.
 - (E) Benefit fundraiser permit: \$50.00.
 - (F) Nonprofit fundraiser permit: \$25.00 (tax exempt certificate).
 - (G) Carnival/circus operating permit: \$500.00.
 - (H) Carnival set-up inspection fee: \$100.00.
- (14) Penalties, work commencing prior to permit issued.
- (A) First Violation: Double permit fees
 - (B) Second and subsequent violations: Four times the permit fee
 - (C) Other violations (ex. No inspections, concealing work, occupancy without a final, license or registration violation, other code violations as adopted. Each fee is per

occurrence or incidence, per day until corrected.): Any person who commences or proceeds with work for which a permit is required under this Code prior to obtaining such permit shall be subject to a fee equal to twice the amount otherwise specified. Payment of said doubled fee shall not relieve the violator from the obligation to fully comply with all provisions of this Code, nor shall it preclude the imposition of any other civil, administrative, or criminal penalties authorized herein.

(15) Fee for Expedited Permit Processing

- (A) Residential expedited permit: \$35.00
- (B) Commercial expedited permit: \$45.00
- (C) New residential construction: 10% of permit fee
- (D) New commercial construction: 10% of permit fee
- (E) Expedited permit for any other permit or license: \$40.00

(16) Refunds

- (A) No refund shall be issued unless work has not commenced, the permit remains valid and unexpired, and a written request for refund is submitted. All refunds shall be subject to the approval of the Chief Building Official and the Planning Director. Refunds shall be issued excluding the review application fee, which is non-refundable.
- (b) Investigation fee. Any person who commences any work on any building or structure; or any electrical, gas, plumbing, or mechanical system before obtaining the necessary permits shall be subject to an investigation fee equal to the fee included in the permit fee schedule. The investigation fee shall be in addition to the regular permit fee.
- (1) Contractor registration. It shall be unlawful for any person who is not registered by the city as a sign, concrete, electrical, plumbing, mechanical, irrigations, house moving, fuel tank installer, maintenance worker for apartments (plumbing/mechanical), or general contractor to secure a permit as provided for in this code, except that homeowners may obtain permits to perform work at a residence for which they have a homestead tax exemption and in which they live.
 - (2) Method of registration. To register with the city as a contractor, application shall be made in writing on forms furnished by the building official for that purpose along with the registration fee as required in this section.
 - (3) Contractor registration renewal. Every contractor registration provided for in this code shall expire one year following the date of its issuance and shall be renewed by the building official upon application and upon the payment to the city of the required renewal fee.
- (c) The Planning Director is hereby authorized to establish fees for items, services, or permits not expressly listed in this ordinance when demand or request for such items, services, or permits arises. In cases where no specific permit fee is established for a commercial property, the permit fee shall be calculated based on the total project cost estimate.

SECTION II. SIGN CONTRACTOR'S LICENSE.

A license fee in the amount of **\$100.00** shall be assessed for each license to engage in the business of erecting, maintaining, or replacing signs or advertising structures.

SECTION III. SIGN PERMIT.

The applicant for a sign permit shall tender the required fee according to the following schedule:

Valuation of Sign	Fee	Fee if Electrified
\$0.00 - \$100.00	\$5.00	\$25.00
\$101.00 - \$500.00	\$10.00	\$30.00
\$501.00 - \$1,000.00	\$15.00	\$45.00
Over \$1,000.00	\$15.00 plus \$5.00 for each additional \$1,000.00 valuation or portion thereof	Add \$35.00

SECTION IV. MOBILE HOME OR TRAVEL TRAILER PARK LICENSE.

- (a) The annual license fee for each mobile home and/or travel trailer park shall be ~~twenty-five dollars (\$25.00)~~ **two-hundred and fifty dollars (\$250.00)** per year or fraction thereof.
- (b) The fee for the transfer for such license shall be ~~five dollars (\$5.00)~~ **two-hundred and fifty dollars (\$250.00)**.

SECTION V. CONSTRUCTION, PLACEMENT AND EXCAVATION IN RIGHTS-OF-WAY.

Permit Fee Schedule		
Permit application fee	Construction Sq. Ft.	Fee
Excavation/Construction on Sq. Ft.	0–999	\$150.00
	1,000–4,999	\$20.00 \$150.00 for 1st 1,000 Plus \$4.00 per each addtl. 1,000 or fraction
	5,000–9,999	\$290.00 \$467 for 1st 5,000 Plus \$4.00 per each addtl. 1,000 or fraction
	10,000–49,999	\$500.00 \$805 for 1st 10,000 Plus \$4.00 per each addtl. 1,000 or fraction
	50,000 [sic] and above	\$1,700.00 \$2,737 for 1st 50,000 Plus \$4.00 per each addtl. 1,000 or fraction
Expedited application fee	Additional \$40.00	
Permit application fee	Boring LF	Fee
	0–299	\$150.00
	300–1,499	\$150.00 for 1st 300 Plus \$4.00 per each addtl. 100 or fraction
	1,500–3,499	\$467.00 for 1st 1,500 Plus \$4.00 per each addtl. 100 or fraction
	3,500–14,999	\$805.00 for 1st 3,500 Plus \$4.00 per each addtl. 100 or fraction
	15,000 and above	\$2,737.00 for 1st 15,000 Plus \$4.00 per each addtl. 100 or fraction

Street and Sidewalk Damage Fee Schedule				
	Type	None Fee	>5 Yrs. Old	>10 Yrs. Old
For altering, changing, breaking or destroying any hard-surfaced or concrete finished sidewalk, curb, gutter or driveway	Sidewalk	\$2/sqr. ft.	\$2.00/sqr. ft.	\$0.75/sqr. ft.
	Driveway	\$2/sqr. ft.	\$2.25/sqr. ft.	\$1.00/sqr. ft.

	Type	<5 Yrs. Old	<7 [>5] Yrs. Old <10 Yrs. Old	>10 Yrs. Old
For constructing, altering, changing, breaking or destroying any street or avenue	Street	\$6.00/sqr. ft.	\$3.00/sqr. ft.	\$2.00/sqr. ft.
	Alley	The city does not pave alleys. However, if caliche or millings are present in the alley, a fee of \$0.75/sqr. ft. will be charged to the permittee.		

SECTION VI. Landscaping business fees.

Business permit: \$100.00 per year.

2. SEVERABILITY PROVISION

By the adoption of this ordinance, should there be any word, sentence, phrase, and/or expression that may be deemed by a court of competent jurisdiction to be invalid, or legally deleted from the content of his ordinance, it is declared that the remaining portion or portions of this ordinance shall remain fully enabled, active and in full force.

3. CUMULATIVE PROVISION

Should there be any existing ordinance, regulation, policy, and/or guideline that may be in conflict with the established regulations of this zoning ordinance, whether in whole or in part, the terms of this ordinance shall be controlling and override any such existing conflict.

4. PUBLICATION DATE

Once adopted, the City secretary shall as soon as practicable, forward the caption of this coning ordinance to be published in a newspaper of local circulation.

READ, DISCUSSED, AND APPROVED ON THIS THE 19TH DAY OF AUGUST IN THE YEAR OF OUR LORD, 2025.

1st Reading: August 19, 2025

2nd Reading: September 2, 2025

CITY OF MERCEDES:

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo
City Secretary

APPROVED AS TO FORM:

Martie Garcia Vela
City Attorney

ORDINANCE NO. 2024-22

AN ORDINANCE APPROVING THE ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF MERCEDES, THE TAX INCREMENT REINVESTMENT ZONE #2, CITY OF MERCEDES, AND OLIVAREZ ORGANIZATION, LLC; AUTHORIZING EXECUTION OF THE AGREEMENT, AND VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT.

WHEREAS, the City Council of the City of MERCEDES, by adoption of Ordinance No. 2024-22 created Reinvestment Zone Number Two, City of MERCEDES, Texas; and

WHEREAS, the Board of Directors of the Reinvestment Zone #2 has approved and recommended approval of the Economic Development Reimbursement Agreement (the “The Agreement”) attached hereto for the development of public infrastructure within said Zone, providing certain reimbursements to OLIVAREZ ORGANIZATION, LLC (the “Developer”) for investments the Developer will make in the TIRZ #2, City of MERCEDES; and

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

Section 1. That the findings contained in the preamble of this Ordinance are declared to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That Council does hereby find the proposed project cost reimbursements for investments in public infrastructure by the Developer are consistent with the Zone’s Project Plan and Reinvestment Zone financing plan, and are in conformance with the City’s planned development, and also conforms to the requirements set forth in Chapter 311, Texas Tax Code.

Section 3. That the Economic Development Reimbursement Agreement attached hereto for Reinvestment Zone Number #2, City of MERCEDES, Texas is hereby approved.

INTRODUCED AND APPROVED on the first reading this 5th day of August, 2025.

APPROVED AND PASSED on the second reading this 19th day of August, 2025.

Oscar D. Montoya Sr., Mayor

ATTEST:

Joselynn Castillo, City Secretary

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (this “**Agreement**”) is by and among the CITY OF MERCEDES, Texas, a political subdivision of the State of Texas (the “**City**”), TAX INCREMENT REINVESTMENT ZONE NO. 2, CITY OF MERCEDES, TEXAS, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code (“**TIRZ #2**”), OLIVAREZ ORGANIZATION, LLC, a Texas limited liability corporation, both Jointly the Developer (the “**the Developer**”), is entered into on this ____ day of August, 2025 (the “**Effective Date**”). The City, the Developer, and TIRZ #2 may be individually referred to herein as “**Party**” and collectively as the “**Parties**.”

RECITALS AND FINDINGS

WHEREAS, the Developer owns and is proposing to develop one half of a certain tract of land currently known as Subdivision 16, totaling approximately 78.5 acres, excluding Rights of Way to be improved, in the City’s ETJ (the “**Project Site**”), which is one of two development parcels of land located in TIRZ #2, as shown on the property map contained in **Exhibit A** attached hereto and incorporated herein for all purposes (the “**Property**”), and desires to construct and develop certain residential developments on the entirety of the Property (the “**Project**”); and,

WHEREAS, the City, pursuant to Chapter 311, Texas Tax Code as amended, has : (a) created a tax increment reinvestment zone over the entire Property to facilitate the development of the land, (b) provide certain agreed upon reimbursements to the Developer for the Project funded by the Developer, and (c) seek and approve a participation agreement with the County for participation in the TIRZ #2;

WHEREAS, the City of Mercedes, Texas (the “**City**”) has agreed to participate in tax increment funding for TIRZ #2 by contributing to the tax increment fund for TIRZ #2 seventy percent (70%) of approved *Ad Valorem* Tax Rate each year until December 31, 2059, as set forth in Ordinance No. 2024-22, creating TIRZ #2 City of Mercedes; and,

WHEREAS, Hidalgo County, Texas (the “**County**”) is considering participating in tax increment funding for TIRZ #2 by contributing to the tax increment fund for TIRZ #2 fifty percent (50%) of its Maintenance and Operation Tax Rate , as will be memorialized in that certain Inter-local Agreement Tax Increment Reinvestment Zone #2, to be approved by and between the County and the City, (the “**TIRZ#2 Inter-local Agreement**”); and,

WHEREAS, while portions of the Property may be sold or conveyed to third parties, the Developer shall be responsible for the overall development of the Project and all portions of the Property shall be included under this Agreement;

WHEREAS, the Board of Directors for TIRZ #2 (the “**TIRZ Board**”) and the City Council for the City of Mercedes (the “**City Council**”) each approved and adopted the Project Plan and Reinvestment Zone Financing Plan for TIRZ #2, dated August 5, 2025, (the “**TIRZ Plan**”);

WHEREAS, the Parties desire to provide for the development and financing of the projects set forth below to implement the TIRZ Plan;

WHEREAS, the City Council of the City of Mercedes has found and determined that the construction of the Project will provide the benefit of serving the public interest and welfare and enhancing the economic stability and growth of the City, contribute to the expansion of the City’s tax base, increase mobility by construction of road ways and related infrastructure, facilitate the development of raw land into a master-planned mixed use development;

WHEREAS, the Project is consistent with the City’s economic development objectives to increase taxable property values and taxes in the residential areas of the Project;

WHEREAS, the City agrees to provide financial and development assistance to the Developer through utilization of the TIRZ;

WHEREAS, the TIRZ Board shall possess all powers necessary to implement and monitor the TIRZ Plan as the City Council considers advisable, including without limitation, the submission of an Annual Reimbursement Report [defined in Article III, Section 4(f)];

WHEREAS, the Parties hereto have agreed that the TIRZ #2 shall be responsible for verifying the Developer’s ongoing compliance with the requirements set forth in this Agreement necessary to obtain City payments as detailed herein;

WHEREAS, the Developer have agreed to petition the City for annexation of the land within the TIRZ, and also finance certain agreed upon infrastructure improvements, to develop the master planned mixed use project, and satisfy and comply with certain terms and conditions;

WHEREAS, the Parties agree that the provisions of this Agreement substantially advance a legitimate interest of the City;

WHEREAS, the Parties desire to cooperate in the development of the Project, on the terms and conditions contained herein;

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

- I. “**Affiliate**” means, as to any Person, any other Person that, directly or indirectly, is in Control of, is Controlled by or is under common Control with such Person or is a director

or officer of such Person or of an Affiliate of such Person.

- II. **“Annual Payment(s)”** means the periodic payments of Tax Increment Revenue made to the Developer as provided herein, and as set forth in Chapter 311, Texas Tax Code.
- III. **“Base Value”** shall mean the taxable value of the property located within the Property as of January 1, 2024, which amount is deemed to be \$3,083,165;
- IV. **“Captured Appraised Value”** means the total appraised ad valorem value of all real property taxable by the City and located in the Property as of January 1 of any year less the Base Tax.
- V. **“The Developer Interest”** means interest accrued on the actual public improvement costs paid by the Developer at a per annum rate equal to 8.5%. the Developer Interest shall accrue from the later of (i) the Effective Date of this Agreement for all expenditures made related to the creation of the TIRZ #2 or (ii) the date of actual payment by the Developer for expenditures made after the TIRZ #2 creation, and shall continue until such time the Developer receives full payment for the Project Costs (defined in Section 2(a)).
- VI. **“Person”** means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.
- VII. **“Local Government Corporation”** means a tax exempt not for profit entity created pursuant to Chapter 431, Texas Transportation Code, and authorized by the City through the approval of an agreement to manage the TIRZ on the City’s behalf, and also serve as the debt facility mechanism should the City consent to the sale of tax exempt bonds to finance the Developer reimbursements or other project costs.
- VIII. **“Project Manager”** means the Developer for a project by the Developer or the City for a project by the City.
- XI. **“Tax Increment”** means funds from the amount of ad valorem taxes levied and collected by the City on the Captured Appraised Value of real property located within the Property.
- X. **“Tax Increment Revenue”** means all (i) tax incremental revenues levied and collected from taxable incremental value in the TIRZ #2 x the current City approved *Ad Valorem* Tax Rate x .70, for thirty four (34) years (the duration of the TIRZ #2) and payable to the Developer under this Agreement and (ii) tax incremental revenues levied and collected from the taxable incremental value in

the TIRZ #2 x the current County approved *Ad Valorem* Tax Rate, as set forth in the inter-local agreement approved by both the City and the County for thirty four (34) years (the duration of the TIRZ #2) and payable to the Developer under this Agreement.

- XI. “**Term**” means a term of thirty four (34) years during which the annual Tax Increment Revenue and annual Captured Appraised Value of the Property is calculated and the resulting Annual Payment is disbursed by the City.
- XII. “**Reimbursable Project Costs**” means all costs set forth in Table I—Project Plan and Reinvestment Zone Financing Plan for TIRZ #2 and in **Exhibit B** of this Agreement, which costs are currently estimated to be \$91,262,781.

ARTICLE II THE PROJECT

- 1. Development of the Project. The Project is to be constructed in two phases consisting of residential development and limited multifamily development, each phase must be in accordance with the Developer’s Master Plan, and as reflected in the project plan and the approved City Plat.
- 2. Project Costs & Improvements for Subdivision 16.
 - (a) One half of the TIRZ #2 improvements set forth in **Exhibit B**, related to Subdivision 16, and including 1/4 of the estimated Interest costs, and 1/4 of the TIRZ administration costs, as set forth in the TIRZ #2 project plan attached hereto and incorporated herein for all purposes (collectively, the “**Project Improvements**”) , together with the costs of the construction of such Project Improvements including, without limitation, all costs incurred in connection with obtaining governmental approvals, certificates, and permits and all costs of engineering, testing and inspection required in connection with the construction of the improvements, and including the costs of creation of the Zone shall be referred to herein as the “**Project Costs**.”, currently estimated to be \$21,053,228 including estimated interest.
 - (b) The Developer shall design, permit and construct the public roads as approved by the City and shall dedicate them, as such, to the City upon their completion. All such public roads accepted by the City shall thereafter be owned and maintained by the City.
 - (c) The Developer shall construct and install all reasonable and necessary traffic control devices (including signs) within the Project as required by the City, the County or other appropriate Party with jurisdiction. All such traffic control devices (including

signs) shall thereafter be operated and maintained by the City, the County or other appropriate Party with jurisdiction.

- (d) In the event that City and the Developer mutually agree to the elimination or modification of any improvement listed as a component of the Project Costs, then the Parties may mutually agree, in writing, to modify, eliminate, amend or re-apportion the Project Costs in question.
- 3. Cost of Improvements to be Funded by the Developer. Unless otherwise agreed to by the Parties in writing, the Developer shall promptly pay (or cause to be paid) all Project Costs of constructing the Project Improvements including, without limitation: (i) all costs of design, engineering, materials, labor, construction, permitting, testing and inspection, arising in connection with the construction of the Project Improvements (except for those items which may be contested in good faith by The Developer); (ii) all payments arising under any contracts entered into for the construction of the Project Improvements (except for those items which may be contested in good faith by The Developer); (iii) land costs for land dedicated as public rights of way at fair market value; (iv) all financing costs and fees associated with the Project Improvements, including legal fees. The City *shall not be liable* to any contractor, engineer, attorney, material man, laborer, or other party employed by or on behalf of the Developer, its affiliates or designees, as the case may be, in connection with the construction of the Project Improvements.

ARTICLE III PUBLIC FINANCIAL CONTRIBUTION

- 1. City Payments to The Developer.
 - (a) In consideration of the City entering into this Agreement and providing for Annual Payments to the Developer under the terms and conditions set forth herein, as further described in more detail throughout this Agreement, the Developer agrees that it, along with its affiliates and any of the Developer's current or future successors or assigns to the Project Site, in whole or in part, shall design, permit and construct the Project Improvements in accordance with the City or County codes, as applicable.
 - (b) The Annual Payments made by the City to the Developer shall be paid solely from the *ad valorem* tax incremental revenues collected in the TIRZ #2 for the prior tax year, and including any prior year reconciliations. Each Annual Payment shall be an amount equal to the total Tax Increment Revenue collected based on the following formula: (i) for the City-- Prior Tax Year Certified Taxable Value, Less Base Value / \$100 x the Current City Tax Rate x 70% and (ii) for the County—all Incremental Revenues remitted by the County to the City pursuant to the TIRZ #2 Interlocal Agreement. The Annual Payments shall be paid annually to The Developer by the City no later than June 1, beginning in the first calendar year after The Developer receives

its first acceptance by the City of the completion of the Project Improvements in the first subdivision platted, improved and completed by The Developer and continuing each year thereafter until the earlier of: (i) the date the City has fully paid all Reimbursable Project Costs and the Developer Interest to the Developer or Lender (defined below), as applicable, in an amount currently estimated to be \$21,053,228 (1/2 of development costs for Subdivision 16), including estimated interest payments, and as reflected in Table 1, Project Plan and Reinvestment Finance Plan, and as computed pursuant to Section II, 2 (a) of this agreement, or (i) the completion of the Term of TIRZ #2. The total reimbursement will be based on actual expenditures for approved project costs based on an independent audit.

- (c) The Developer may assign revenues received pursuant to this Agreement to a lender to collateralize a loan to further the development within the TIRZ, subject to the consent of the City, which consent shall not be unreasonably withheld. The terms of any borrowing shall be exclusively determined by negotiation between the Developer and the Lender.
- 2. Annual Payment Administration. The Parties hereby agree and consent that all Annual Payments shall be paid directly by the City to the Developer or, if applicable, a Local Government Corporation (LGC) created to managed the TIRZ on behalf of the City. Once any Annual Payment (or portion thereof) is delivered by the City to the Developer, or the LGC, the City shall have no further obligation to the Developer as it relates to the annual tax incremental revenues. Total payment to The Developer shall be based on the total audited costs of the Developer for those Project Costs as reflected in Table One of the Zone's approved Project Plan, as may be amended from time to time.
- 3. Project Quality. As consideration for City's obligation to pay the Developer, the Developer agrees to construct the Project to the standard of quality as required by the City and the County for typical infrastructure constructed in residential and commercial projects.
- 4. Process for Project Development and Distribution of The Developer Reimbursement Requests.
 - (a) Before initiating each phase of the Project, the Developer shall make a presentation to the TIRZ Board. Such presentation shall specify: (i) the phase to be initiated, (ii) the estimated cost to design and construct such phase, including any Project Costs, and (iii) the estimated time to complete such phase.
 - (b) Periodically, and no less than twice a year, the Developer shall provide reports regarding the progress of construction of the Project Improvements and the Developer's payment of Project Costs. The Developer shall allow the City and/or TIRZ Board reasonable access to the Project for inspections during all phases of construction.
 - (c) Upon completion of construction of the public infrastructure, any applicable interest in the real property upon which the public improvement is constructed shall be conveyed to

the City or other public entity responsible for operation and maintenance of such completed work, and the City will accept the same upon the completion thereof in accordance with approved plans and specifications. The Developer shall, at its own costs and expense, maintain or cause to be maintained, the completed work until acceptance by the City, as evidenced by written acceptance by the appropriate City administrator, and for one (1) year after said acceptance.

- (d) The Developer will work with the TIRZ/ Redevelopment Authority administrator to have an independently prepared agreed upon procedures report (AUP) of the Developer reimbursable project costs this this Agreement and costs in the approved project plan and reinvestment zone financing plan prepared for submission to the Board of Directors of the TIRZ for approval.
- (e) Upon approval of the Reimbursement Report by the TIRZ Board for the particular Project phase(s) completed at that time, the reimbursements shall become an obligation of the TIRZ and shall be payable from the available funds or bonds in accordance with t h i s Agreement.
- (f) The Developer agrees that imputed administration costs in the amount of up to five percent (5%) of the Annual Payment may be retained by the City, and deduction from the Annual Payment made by the City to the Developer (the "**Administrative Costs**").

ARTICLE IV

MISCELLANEOUS PROVISIONS

1. Default; Remedies.

- (a) Unless otherwise provided herein, any Party to this Agreement that believes that the other Party to this Agreement has defaulted in the performance of any condition, term, or obligation owed to that Party under this Agreement shall within twenty (20) business days after discovery of said default, give written notice of the default to the defaulting Party, specifying in detail the provision or provisions of this Agreement that have allegedly been breached and what specific action must be taken to cure or correct the default. Should the Party receiving the notice fail to commence action to correct the default within thirty days, and/or thereafter fail to diligently pursue the completion of the action to correct the default, the Party giving the notice of default may declare the defaulting Party in default. In addition to any other right or remedy available to the Parties under this Agreement, in the event that a Party is declared in default, the complaining Party shall have the right (but not the obligation), in its sole discretion, to exercise its rights with regards to mandamus, specific performance or mandatory or permanent injunction to require the Party alleged to have defaulted or breached to perform.
- (b) In the event that the Developer is in default, the City shall not be obligated to make Annual Payment(s), or any portion thereof, to the Developer unless and until the

default has been cured to the reasonable satisfaction of the City. In the event that the Developer fails to: (i) diligently pursue the completion of the action to correct the default as determined in the City's reasonable discretion, on the timeline established by the City Council; and (ii) such default remains on going six (6) months from the date of the cure deadline established by the City Council pursuant to this section, this Agreement may be terminated or suspended.

- (c) Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section or pursuant to the provisions of any other Section of this Agreement will constitute an election of remedies; and all remedies set forth in this Agreement will be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties has the affirmative obligation to mitigate its damages in the event of a default by the other Party.
 - (d) Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any party, except for a delay in payment of the Annual Payment, is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending or threatened litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, or tornadoes], labor action, strikes or similar acts) or pandemics, including without limitation, Covid 19, the time for such performance shall be extended by the amount of time of such delay ("**Force Majeure**").
- 2. Separate Status. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in their respective businesses or otherwise, nor shall it cause them to be considered joint ventures or members of any joint enterprise.
 - 3. Construction and Interpretation.
 - (a) Whenever required by the context of this Agreement, (i) the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa, and (ii) use of the words "including", "such as", or words of similar import, when following any general term, statement or matter, shall not be construed to limit such statement, term or matter to specific terms, whether or not language of non- limitation, such as "without limitation", or "but not limited to", are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest scope of such statement, term or matter.

- (b) The captions preceding the text of each article and section of this Agreement are included only for convenience of reference. Captions shall be disregarded in the construction and interpretation of this Agreement. Capitalized terms are also selected only for convenience of reference and do not necessarily have any connection to the meaning that might otherwise be attached to such term in a context outside of this Agreement.
- (c) This Agreement may be executed in several counterparts; each of which shall be deemed an original. The signatures to this Agreement may be executed and notarized on separate pages, and when attached to this Agreement shall constitute one (1) complete document.

4. **Indemnification ; Errors, Omissions, Negligent Acts, Legal Fees**

The Developer shall save and hold harmless the City of Mercedes, and its officers and employees, the City's Tax Increment Reinvestment Zone directors and employees, and it's authorized and overlayed Local Government Corporation directors and employees from all claims and liability due to activities of itself, its agents, or employees, performed under this contract and which are caused by or result from error, omission, or negligent act of the Developer or of any person employed by the Developer. Such indemnity shall include but not limited to, attorney fees which may be incurred by the City of Mercedes in litigation or otherwise resisting said claim or liabilities which may be imposed on the City as a result of such activities by the Developer, their agents, or employees.

- 5(a) Actions Performable. The Parties agree that all actions to be performed under this Agreement are performable solely in City of Mercedes, Texas.
- (b) Assignability. Performance by the Developer and TIRZ #2 under the terms and conditions of this Agreement are deemed personal and, as such, any attempt to convey, assign or transfer those duties and obligations without the prior written approval and consent by the City are void except for (i) assignments and partial assignments of this Agreement by the Developer to any Affiliate of the Developer, which are expressly permitted, (ii) assignments and partial assignments of this Agreement by the Developer to third parties to whom the Developer has sold land within the Project and provided written notice to the City and TIRZ #2 of same, and (iii) Collateral Assignments [defined in Article V below] and Security Agreements [defined in Article V below] of this Agreement to Lender and other security interests granted under the Loan Documents for the benefit of Lender, which are all expressly permitted hereunder.
- (c) Severability. If any provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void; but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the Parties.

- (d) Complete Agreement. This Agreement represents the complete agreement of the Parties with respect to the subject matter hereof and supersedes all prior written and oral matters related to this Agreement. Any amendment to this Agreement must be in writing and signed by all Parties hereto or permitted or approved assignees.
- (e) Exhibits. All exhibits attached to this Agreement are incorporated herein by reference and expressly made part of this Agreement as if copied verbatim.
- (f) Notice. Any notice or demand, which either the City or the Developer is required to or may desire to serve upon the other, must be in writing, and shall be sufficiently served if (i) personally delivered, (ii) sent by registered or certified mail, postage prepaid, or (iii) sent by commercial overnight carrier, and addressed to:

If to the City:

City of Mercedes, Texas
Attn: City Manager
400 S. Ohio Street
Mercedes, Texas 78570

If to the Developer:

Olivarez Organization LLC
ATTN: Joe Olivarez
P.O. Box 1667
614 N. Texas Blvd
Weslaco, Tx 78596

If to the TIRZ:

Bill Calderon
Calderon Economic Development Strategies LLC
5523 Spellman Road
Houston, Texas 77096

or such other address or addresses which any Party may be notified in writing by any other Party to this Agreement.

Such notice shall be deemed to have been served (a) five (5) business days after the date such notice is deposited and stamped by the United States Postal Service, except when lost, destroyed, improperly addressed or delayed by the United States Postal Service, or (b) upon receipt in the event of personal service, or (c) the first business day after the date of deposit with an overnight courier, except when lost, destroyed, improperly addressed or delayed by the courier, or (d) the date of receipt by facsimile (as reflected by electronic confirmation); provided, however, that

should such notice pertain to the change of address to any of the Parties hereto, such notice shall be deemed to have been served upon receipt thereof by the Party to whom such notice is given.

(g) Force Majeure. The Parties agree that the obligations of each Party shall be subject to Force Majeure.

(h) Forum Selection. This Agreement and the relationship between the Parties hereto shall be governed and interpreted under the laws of Texas without regard to any conflict of laws provision. Venue for any suit arising out of any relationship between the Parties hereto shall exclusively be the appropriate court in the City of Mercedes, Texas. The Parties specifically consent to and waive any objections to, in personam jurisdiction in City of Mercedes, Texas.

6. Effective Date. This Agreement shall be binding and take effect only upon all Parties signatures hereto, attachment of all required exhibits, and receipt by the City of a fully executed copy hereof. For the purposes of timetables provided in this Agreement, the Effective Date shall be the date first above written.

7. Preamble. The findings of fact, recitations and provisions set forth in the preamble to this Agreement are true and are adopted and made a part of the body of this Agreement, binding the Parties hereto, as if the same were fully set forth herein.

8. Representations. The City and TIRZ #2 represent and warrant to the Developer that the City and TIRZ #2 are duly authorized and empowered to enter into this Agreement, subject to the terms and conditions contained herein, and have the legal right to reimburse the Developer as provided in this Agreement. The Developer represents and warrants to the City and TIRZ #2 that it has the right to enter into this Agreement and is a proper party to this Agreement.

9. Signature Warranty Clause. The signatories to this Agreement represent and warrant that they have the right to execute this Agreement on behalf of the City, TIRZ #2, and the Developer, respectively.

10. Legal Contest. This Agreement is entered into in accordance with applicable law as understood by the Developer, the TIRZ #2, and the City. In the event any part, provision or paragraph thereof shall become unenforceable by reason of judicial decree or determination the Parties hereto mutually agree to the extent possible to ensure that all other provisions of this Agreement, including the intent of this Agreement be honored and performed.

11. Conflicts with Ordinances. The Parties agree that any City and/or TIRZ #2 ordinance, or regulation by any other agency over which the City and/or TIRZ #2 has control, whether heretofore or hereafter adopted, that addresses matters that are covered by this Agreement shall not be enforced by the City and/or TIRZ #2, and that the provisions of this Agreement govern development of the Property and supersede any ordinance or regulation heretofore or hereafter adopted regarding the matters discussed herein.

12. Survival. The covenants and agreements of the Parties set forth in this Agreement shall terminate and expire upon of earlier of (i) when the City, on behalf of itself and the County, has paid all Reimbursement Project Costs and the Developer Interest to the Developer, or (ii) December 31, 2059; provided, that the Developer's obligation to indemnify and hold harmless the City and TIRZ #2 shall survive the termination and expiration of this Agreement.

13. Amendment. Any term of this Agreement may be amended or waived only by an instrument in writing and signed by all Parties hereto. Notwithstanding the foregoing, so long as a Lender or its successors or assigns have any liens and/or security interest covering the Property and/or this Agreement, including without limitation, by a Deed of Trust [defined Article V (1) below] covering all or a portion of the Property, and/or a Security Agreement and/or Collateral Assignment covering this Agreement and/or the Other Agreements [defined in Article V (1) below], there shall be no amendments, revisions or corrections to this Agreement without the prior written consent of Lender, which may be withheld in the Lender's sole discretion.

14. Time and Business Days. Time is of the essence for the performance of any obligation under this Agreement. If any date or period for performance provided for herein ends on a Saturday, Sunday, or legal holiday of the City of Mercedes, Texas, then the applicable date or period will be extended to the first day following such Saturday, Sunday, or legal holiday. A business day is defined herein as any day that is not a Saturday, Sunday or legal holiday of the City of Mercedes, Texas.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

City of Mercedes, TEXAS

BY: _____
OSCAR MONTTOYA, MAYOR

Date: _____

**TAX INCREMENT REINVESTMENT ZONE NO.
TWO, City of Mercedes, TEXAS,**

a reinvestment zone created by the City of Mercedes, Texas
pursuant to Chapter 311 of the Texas Tax Code

BY: _____
Chairman of the Board of Directors

Date: _____

Olivarez Organization LLC
P.O. Box 1667
614 N. Texas Blvd
Weslaco, Tx 78596

By: _____
Joe Olivarez,

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me by OSCAR MONTOYA, Mayor, for the City of Mercedes, Texas, a municipal corporation of the State of Texas, on behalf of said corporation, this _____ day of JANUARY, 2025.

Notary Public, State of Texas

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me by OSCAR MONTOYA Chairman of the Board of Directors, for Tax Increment Reinvestment Zone No. TWO, City of Mercedes, Texas, a reinvestment zone created by the City of Mercedes, Texas pursuant to Chapter 311 of the Texas Tax Code, on behalf of said reinvestment zone, this _____ day of JANUARY, 2025

Notary Public, State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on JANUARY _____, 2025 by JOE OLIVAREZ AS _PRESIDENT OF OLIVAREZ ORGANIZATION, a Texas limited liability corporation, on behalf of said corporation.

Notary Public, State of Texas

EXHIBIT A PROPERTY MAP

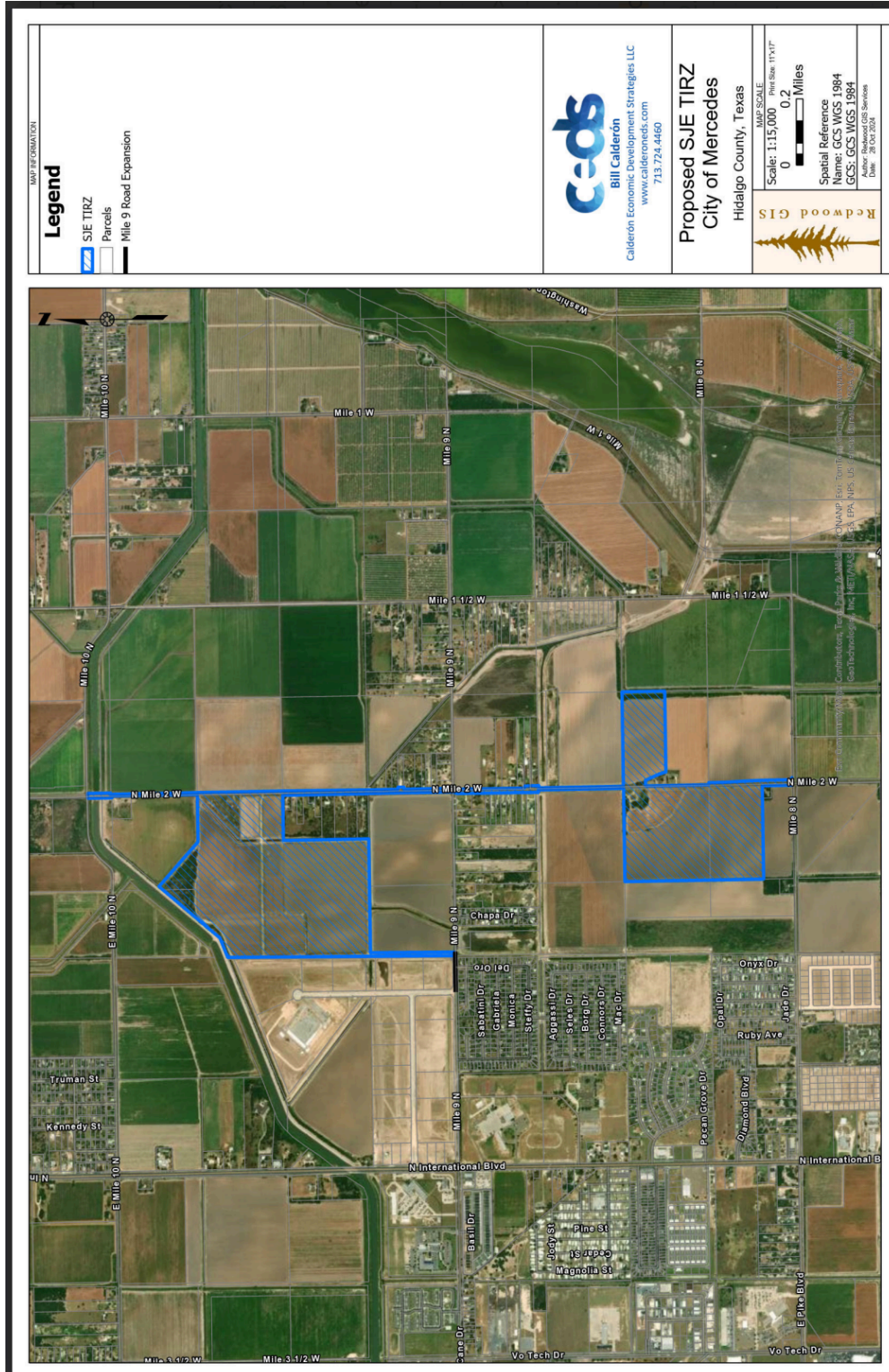


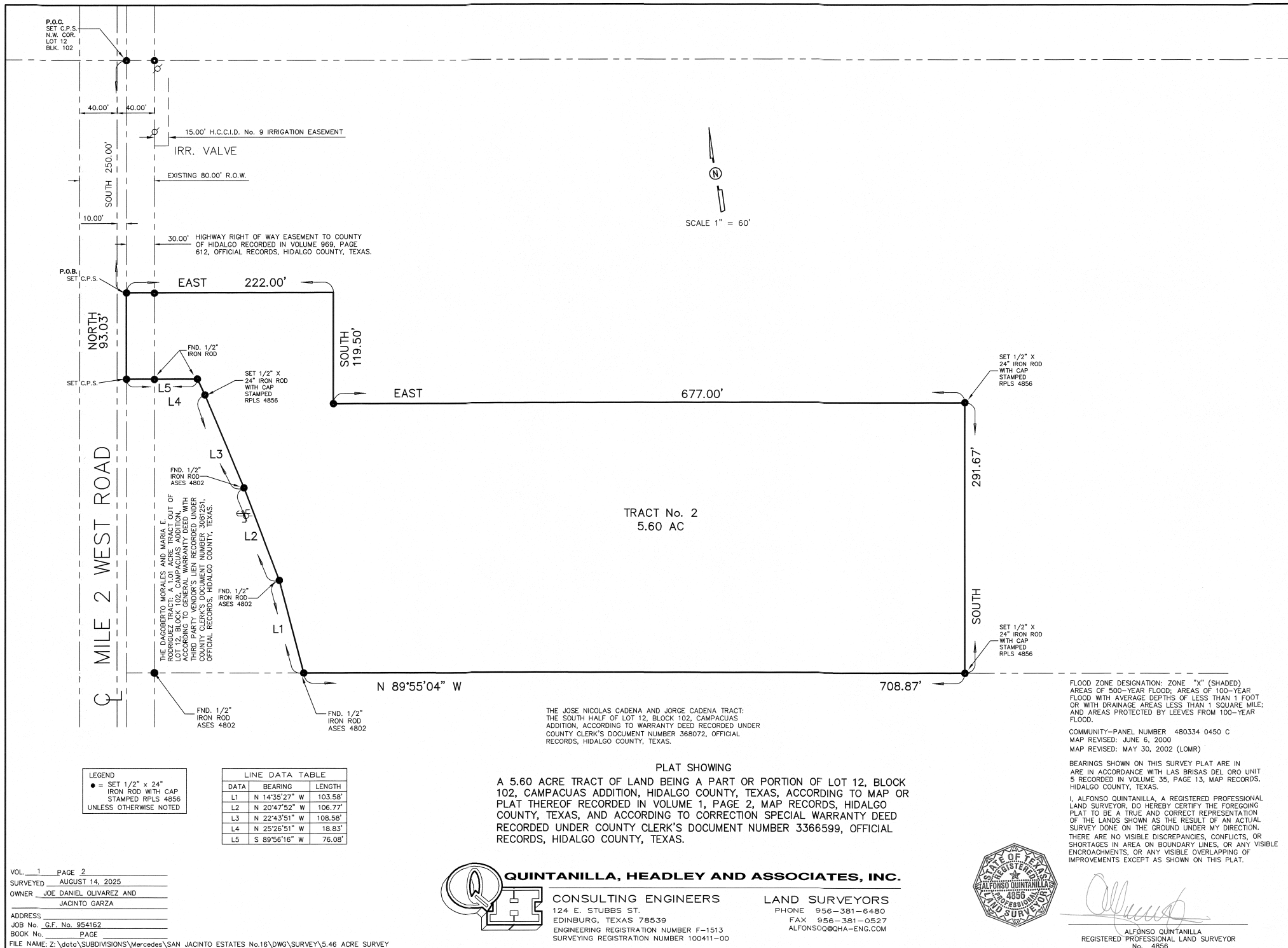
EXHIBIT B
List of Improvements and Eligible TIRZ Project Costs

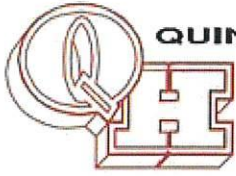
Mercedes TIRZ #2 – Reimbursable Project Costs					
Category	Subdivision #12 (1)	Subdivision #16 (1)			Total
ROW for Roads/ drainage	\$871,354	\$463,146			\$1,334,500
Surveys/ topos, staking +	\$186,400	\$173,680			\$360,080
Engineering	\$914,428	\$1,029,500			\$1,943,928
Offsite Water Distribution System		\$1,537,300			\$1,537,300
Water Lines	\$1,706,400	\$2,034,985			\$3,741,385
Water supply corp dev fees	\$467,570	\$355,000			\$822,570
Sanitary Sewer	\$2,826,800	\$4,763,342			\$7,590,142
AEP Electrical	\$150,000	\$320,000			\$470,000
Irrigation Line removal	\$30,000	\$14,000			\$44,000
Subdivision Road	\$5,538,764	\$4,363,660			\$9,902,424
Erosion mitigation	\$146,520	\$66,300			\$212,820
Drainage/detention	\$2,579,485	\$1,535,056			\$4,114,541
Fencing/landscaping in public POW	\$973,800	\$551,300			\$1,525,100
Dev. Fees/ Subdivision Adm.	\$26,840	\$26,840			\$53,680
Tap Fees	\$51,300				\$51,300

County Inspection / Utility Fees		\$8,000	\$12,000		\$20,000
Inspection/testing		\$654,348	\$588,400		\$1,242,748
City Park Fees		\$235,500	\$152,500		\$388,000
Public Road improvements		\$1,500,000			\$1,500,000
Creation Costs					\$120,000
Interest Carry (2)					\$40,000,000
Project administration -7 years (3)		\$2,800,000	\$2,800,000		\$5,600,000
Contingency		\$1,858,815	\$1,319,448		\$3,178,263
Chapter 380 project funding					\$3,000,000
TIRZ / RA Administration (4)					\$2,500,000
Total		\$23,526,324	\$22,106,457		\$91,252,781
(1) Projected costs are best estimates based on today's cost. Actual reimbursement of these items will be based on independently audited actual costs.					
(2) Interest paid will depend on a) audited amounts paid for project costs while payments are "as you go, or on the capital cost for tax exempt bonds when sold.					
(3) Project cost will finance admin management of multiple contractors involved in both the residential project and the public road improvements undertaken by the Developer					
(4) Redevelopment Authority management including legal, bookkeeping, auditing, and RAVZone managing					

Exhibit C—

Boundary description for 1/2 of Subdivision 16 to be developed by Olivarez Organization





QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

Consulting Engineers ★ Land Surveyors

Engineering Firm Registration No. F-1513
Surveying Firm Registration No. 100411-00
Municipal & County Projects ★ Subdivisions ★ Surveys
124 E. Stubbs, Edinburg, Texas 78538
Phone 956/381-6480 Fax 956/381-0527

METES AND BOUNDS

A 5.60 ACRE TRACT OF LAND BEING A PART OR PORTION OF LOT 12, BLOCK 102, CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE PLAT OR MAP THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS HIDALGO COUNTY, TEXAS, AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A COTTON PICKER SPINDLE SET ON THE WEST LINE OF LOT 12 AND WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD FOR THE NORTHWEST CORNER OF THIS TRACT, SAID SPINDLE BEARS SOUTH, 250.00 FEET FROM THE NORTHWEST CORNER OF LOT 12.

THENCE; EAST, PASSING A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET AT 30.00 FEET FOR THE EAST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A TOTAL DISTANCE OF 222.00 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN EXTERIOR CORNER OF THIS TRACT.

THENCE; SOUTH, A DISTANCE OF 119.50 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; EAST, A DISTANCE OF 677.00 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR THE NORTHEAST CORNER OF THIS TRACT.

THENCE; SOUTH, A DISTANCE OF 291.67 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET ON THE NORTH LINE OF THE JOSE NICOLAS CADENA AND JORGE CADENA TRACT (THE SOUTH HALF OF LOT 12, BLOCK 102, CAMPACUAS ADDITION, ACCORDING TO WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 368072, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) FOR THE SOUTHEAST CORNER OF THIS TRACT.

THENCE; N 89°55'04" W, ALONG THE NORTH LINE OF THE JOSE NICOLAS CADENA AND JORGE CADENA TRACT, A DISTANCE OF 708.87 FEET TO A 1/2" IRON ROD WITH CAP STAMPED ASEs 4802 FOR THE SOUTHEAST CORNER OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT (A 1.01 ACRE TRACT OF LAND OUT OF LOT 12, BLOCK 102, CAMPACUAS ADDITION, ACCORDING TO GENERAL WARRANTY DEED WITH THIRD PARTY'S VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3081251, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) AND THE SOUTHWEST CORNER OF THIS TRACT.

A 5.60 AC TR OF LAND BEING A PART OR PORTION OF LOT 12, BLOCK 102
CAMPACUAS ADDITION

THENCE; N 14°35'27" W, ALONG THE EAST LINE OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT, A DISTANCE OF 103.58 FEET TO A 1/2" IRON ROD WITH CAP STAMPED ASES 4802 FOUND FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; N 20°47'52" W, ALONG THE EAST LINE OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT, A DISTANCE OF 106.77 FEET TO A 1/2" IRON ROD WITH CAP STAMPED ASES 4802 FOUND FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; N 22°43'51" W, ALONG THE EAST LINE OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT, A DISTANCE OF 108.58 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; N 25°26'51" W, ALONG THE EAST LINE OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT, A DISTANCE OF 18.83 FEET TO A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAID TRACT AND AN INTERIOR CORNER OF THIS TRACT.

THENCE; S 89°56'16" W, ALONG THE NORTH LINE OF THE DAGOBERTO MORALES AND MARIA E. RODRIGUEZ TRACT, PASSING A 1/2" IRON ROD FOUND AT 46.08 FEET FOR THE EAST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A TOTAL DISTANCE OF 76.08 FEET TO A COTTON PICKER SPINDLE SET ON THE WEST LINE OF LOT 12 AND WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD FOR THE NORTHWEST CORNER OF SAID TRACT AND THE MOST SOUTHERLY NORTHWEST CORNER OF THIS TRACT.

THENCE; NORTH, ALONG THE WEST LINE OF LOT 12 AND WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD, A DISTANCE OF 93.03 FEET TO THE POINT OF BEGINNING AND CONTAINING 5.60 ACRES OF LAND MORE OR LESS.

BEARINGS ARE IN ACCORDANCE WITH LAS BRISAS DEL ORO UNIT 5, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 35, PAGE 13, MAP RECORDS, HIDALGO COUNTY, TEXAS.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

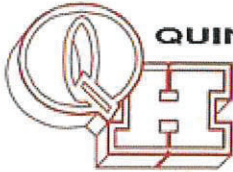
DATE PREPARED: AUGUST 14, 2025


ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



A 5.60 AC TR OF LAND BEING A PART OR PORTION OF LOT 12, BLOCK 102
CAMPACUAS ADDITION

Page 2 of 2



QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

Consulting Engineers ★ Land Surveyors

Engineering Firm Registration No. F-1513
Surveying Firm Registration No. 100411-00
Municipal & County Projects ★ Subdivisions ★ Surveys
124 E. Stubbs, Edinburg, Texas 78539
Phone 361/381-8480 Fax 361/381-0527

METES AND BOUNDS

A 30.72 ACRE TRACT OF LAND BEING A PART OR PORTION OF LOTS 9 AND 16, BLOCK 115, CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE PLAT OR MAP THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS HIDALGO COUNTY, TEXAS, AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET ON THE WEST RIGHT OF WAY OF MILE 2 WEST ROAD (ACCORDING TO RIGHT OF WAY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1945603, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) FOR THE NORTHEAST CORNER OF THIS TRACT, SAID ROD BEARS WEST, 50.00 FEET AND SOUTH 1,105.00 FEET FROM THE NORTHEAST CORNER OF LOT 9.

THENCE; SOUTH, ALONG THE WEST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A DISTANCE OF 214.92 FEET TO A 1/2" IRON ROD WITH CAP STAMPED TEDSI FOUND ON THE COMMON LINE OF LOTS 9 AND 16 FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; ALONG THE WEST RIGHT OF WAY LINE OF MILE 2 WEST ROAD (ACCORDING TO RIGHT OF WAY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1945602, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) AND THE ARC OF A CURVE TO THE LEFT (CURVE DATA: DELTA = 02°23'52", RADIUS = 11,499.00 FEET), A DISTANCE OF 481.21 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN EXTERIOR CORNER OF THIS TRACT.

THENCE; ALONG THE WEST RIGHT OF WAY LINE OF MILE 2 WEST ROAD AND THE ARC OF A CURVE TO THE RIGHT (CURVE DATA: DELTA = 03°36'16", RADIUS = 11,419.00 FEET), A DISTANCE OF 344.17 FEET TO A 1/2" IRON ROD FOUND FOR THE NORTHEAST CORNER OF THE SAMUEL GUADALUPE NIETO TRACT (A 0.55 OF AN ACRE TRACT OF LAND OUT OF LOT 16, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO GIFT DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2715752, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) AND THE SOUTHEAST CORNER OF THIS TRACT.

THENCE; S 89°57'30" W, ALONG THE NORTH LINE OF THE SAMUEL GUADALUPE NIETO TRACT AND THE NORTH LINE OF THE GOLD LANTERN, LLC TRACT (A 14.075 ACRE TRACT OF LAND OUT OF LOT 16, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEN RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3369257, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS), A DISTANCE OF 1,289.43 FEET TO A 1/2" IRON ROD FOUND ON THE WEST LINE OF

A 30.72 AC TR OF LAND BEING A PART OR PORTION OF LOTS 9 AND 16, BLOCK 115
CAMPACUAS ADDITION

LOT 16 FOR THE NORTHWEST CORNER OF THE GOLD LANTERN, LLC TRACT AND THE SOUTHWEST CORNER OF THIS TRACT.

THENCE; NORTH, ALONG THE WEST LINE OF LOTS 9 AND 16, A DISTANCE OF 1,131.67 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR THE NORTHWEST CORNER OF THIS TRACT.

THENCE; S 67°29'24" E, A DISTANCE OF 115.08 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN EXTERIOR CORNER OF THIS TRACT.

THENCE; S 62°15'37" E, A DISTANCE OF 100.21 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; EAST, A DISTANCE OF 1,075.35 FEET TO THE POINT OF BEGINNING AND CONTAINING 30.72 ACRES OF LAND MORE OR LESS.

BEARINGS ARE IN ACCORDANCE WITH LAS BRISAS DEL ORO UNIT 5, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 35, PAGE 13, MAP RECORDS, HIDALGO COUNTY, TEXAS.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

DATE PREPARED: AUGUST 14, 2025


ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



SET 1/2" X 24" IRON ROD WITH CAP STAMPED RPLS 4856

S 67°29'24" E

SET 1/2" X 24" IRON ROD WITH CAP STAMPED RPLS 4856

S 62°15'37" E

SET 1/2" X 24" IRON ROD WITH CAP STAMPED RPLS 4856

EAST

P.O.C. SET C.P.S. N.E. COR. LOT 9 BLK. 115

THE COUNTY OF HIDALGO TRACT: A 1.5152 ACRE TRACT OUT OF LOT 9, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO RIGHT OF WAY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1945602, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

SOUTH

1105.00'

1075.35'

SOUTH

214.92'

1131.67'

LOT 9

LOT 16

IRON ROD

IRON ROD WITH CAP STAMPED RPLS 4856

IRON ROD WITH CAP STAMPED RPLS 4856

SCALE 1" = 100'

THE COUNTY OF HIDALGO TRACT: A 0.7897 OF AN ACRE TRACT OUT OF LOT 16, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO RIGHT OF WAY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1945602, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

TRACT No. 4
30.72 ACRES

NORTH

LOT 15, BLOCK 115, CAMPACUAS ADDITION
RECORDED IN VOLUME 1, PAGE 2, MAP
RECORDS, HIDALGO COUNTY, TEXAS.

IRON ROD

S 89°57'30" W

1289.43'

THE GOLD LANTERN, LLC TRACT: A 14.079 ACRE TRACT OUT OF LOT 15, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO WARRANTY DEED WITH VENDOR'S LIEU, ACCORDING TO COUNTY CLERK'S DOCUMENT NUMBER 3369257, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

THE SAMUEL GUADALUPE NIETO TRACT: A 0.55 OF AN ACRE TRACT OUT OF LOT 16, BLOCK 115, CAMPACUAS ADDITION, ACCORDING TO GIFT DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2715752, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

HOG-WIRE FENCE

EXIST. IRRIGATION LINE

CURVE DATA					
CURVE	Δ	RADIUS	ARCH LENGTH	CHORD LENGTH	CHORD BEARING
1	02°23'52"	11489.00'	481.21'	481.18'	S 07°11'14" E
2	03°36'16"	11419.00'	344.17'	344.16'	S 07°30'57" E

LEGEND
← = GUY WIRE
• = POWER POLE
田 = WATER METER
- = SIGN
⊕ = SERVICE POLE
⊖ = TEL. PED
⊗ = IRRIGATION VALVE

FLOOD ZONE DESIGNATION: ZONE "X" (SHADED)
AREAS OF 500-YEAR FLOOD: AREAS OF 100-YEAR FLOOD OR GREATER AREAS OF LESS THAN 100-YEAR FLOOD ARE AREAS OF 100-YEAR FLOOD, AND AREAS PROTECTED BY LEVEES FROM 100-YEAR FLOOD.
COMMUNITY-PANEL NUMBER: 480334 0450 C
MAP REVISED: JUNE 6, 2000
MAP REVISED: MAY 20, 2002 (LDMR)

1/8 MILE 8 NORTH ROAD

IRON ROD
R/O
C.P.S.

IRON ROD
24" CONC. STAND PIPE
IRON ROD

BEARINGS SHOWN ON THIS SURVEY PLAT ARE IN ACCORDANCE WITH LAS BRISAS DEL ORO UNIT OF THE 1945602, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

PLAT SHOWING
A 30.72 ACRE TRACT OF LAND OUT OF LOTS 9 AND 16, BLOCK 115, CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO MAP OR PLAT THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS, HIDALGO COUNTY, TEXAS, AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS.

VOL. 1 PAGE 2
SURVEYED AUGUST 14, 2025

OWNER

ADDRESS

JOB No. G.F. No. 954162

BOOK No. PAGE

FILE NAME: Z:\data\SUBDIVISIONS\Mercedas SAN JACINTO ESTATES No.16\DWG\SURVEY\30.72



QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

CONSULTING ENGINEERS
124 E. 37th ST.
EDINBURG, TEXAS 78838
PHONE 361-1111 FAX 361-1112
SURVEYING REGISTRATION NUMBER 100411-00

LAND SURVEYORS
PHONE 956-281-6480
FAX 956-281-6527
ALFONSO@QUINTANILLA-HEADLEY.COM



REGISTERED PROFESSIONAL LAND SURVEYOR
ALFONSO QUINTANILLA
No. 4856

ORDINANCE NO. 2025-25

AN ORDINANCE APPROVING THE ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY OF MERCEDES, THE TAX INCREMENT REINVESTMENT ZONE #2, CITY OF MERCEDES, AND SAN JACINTO ENTERPRISES, LLC; AUTHORIZING EXECUTION OF THE AGREEMENT, AND VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT.

WHEREAS, the City Council of the City of MERCEDES, by adoption of Ordinance No. 2024-22 created Reinvestment Zone Number One, City of MERCEDES, Texas; and

WHEREAS, the Board of Directors of the Reinvestment Zone Number One has approved and recommended approval of the Economic Development Reimbursement Agreement (the “The Agreement”) attached hereto for the development of public infrastructure within said Zone, providing certain reimbursements to SAN JACINTO ENTERPRISES, LLC (the “Developer”) for investments the Developer will make in the TIRZ #2, City of MERCEDES; and

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

Section 1. That the findings contained in the preamble of this Ordinance are declared to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That Council does hereby find the proposed project cost reimbursements for investments in public infrastructure by the Developer are consistent with the Zone’s Project Plan and Reinvestment Zone financing plan, and are in conformance with the City’s planned development, and also conforms to the requirements set forth in Chapter 311, Texas Tax Code.

Section 3. That the Economic Development Reimbursement Agreement attached hereto for Reinvestment Zone Number #2, City of MERCEDES, Texas is hereby approved.

INTRODUCED AND APPROVED on the first reading this 19th day of August, 2025.

APPROVED AND PASSED on the second reading this 2nd day of September, 2025.

Oscar D. Montoya Sr., Mayor

ATTEST:

Joselynn Castillo, City Secretary

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (this "**Agreement**") is by and among the CITY OF MERCEDES, Texas, a political subdivision of the State of Texas (the "**City**"), TAX INCREMENT REINVESTMENT ZONE NO. 2, CITY OF MERCEDES, TEXAS, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code ("**TIRZ #2**"), and SAN JACINTO ENTERPRISES, a Texas limited liability company (the "**Developer**"), is entered into on this ____ day of August, 2025 (the "**Effective Date**"). The City, the Developer, and TIRZ #2 may be individually referred to herein as "**Party**" and collectively as the "**Parties**."

RECITALS AND FINDINGS

WHEREAS, Developer owns and is proposing to develop a certain tract of land currently known as Subdivision 12, totaling approximately 127.44 acres, excluding Rights of Way to be improved, in the City's ETJ (the "**Project Site**"), and also co-owns and is proposing to develop one half of known a tract of land known as Subdivision 16, totaling approximately 78.5 acres which is one of two development parcels of land located in TIRZ #2, as shown on the property map contained in **Exhibit A** attached hereto and incorporated herein for all purposes (the "**Property**"), and desires to construct and develop certain residential developments on the entirety of the Property (the "**Project**"); and,

WHEREAS, the City, pursuant to Chapter 311, Texas Tax Code as amended, has : (a) created a tax increment reinvestment zone over the entire Property to facilitate the development of the land, (b) provide certain agreed upon reimbursements to Developer for the Project funded by the Developer, and (c) seek and approve a participation agreement with the County for participation in the TIRZ #2;

WHEREAS, the City of Mercedes, Texas (the "**City**") has agreed to participate in tax increment funding for TIRZ #2 by contributing to the tax increment fund for TIRZ #2 seventy percent (70%) of approved *Ad Valorem* Tax Rate each year until December 31, 2059, as set forth in Ordinance No. 2024-22, creating TIRZ #2 City of Mercedes; and,

WHEREAS, Hidalgo County, Texas (the "**County**") is considering participating in tax increment funding for TIRZ #2 by contributing to the tax increment fund for TIRZ #2 fifty percent (50%) of its Maintenance and Operation Tax Rate , as will be memorialized in that certain Inter-local Agreement Tax Increment Reinvestment Zone #2, to be approved by and between the County and the City, (the "**TIRZ#2 Inter-local Agreement**"); and,

WHEREAS, while portions of the Property may be sold or conveyed to third parties, Developer shall be responsible for the overall development of the Project and all portions of the Property shall be included under this Agreement;

WHEREAS, the Board of Directors for TIRZ #2 (the "**TIRZ Board**") and the City Council for the City of Mercedes (the "**City Council**") each approved and adopted the Project Plan and Reinvestment Zone Financing Plan for TIRZ #2, dated August 5, 2025, (the "**TIRZ Plan**");

WHEREAS, the Parties desire to provide for the development and financing of the projects set forth below to implement the TIRZ Plan;

WHEREAS, the City Council of the City of Mercedes has found and determined that the construction of the Project will provide the benefit of serving the public interest and welfare and enhancing the economic stability and growth of the City, contribute to the expansion of the City's tax base, increase mobility by construction of road ways and related infrastructure, facilitate the development of raw land into a master-planned mixed use development;

WHEREAS, the Project is consistent with the City's economic development objectives to increase taxable property values and taxes in the residential areas of the Project;

WHEREAS, the City agrees to provide financial and development assistance to the Developer through utilization of the TIRZ;

WHEREAS, the TIRZ Board shall possess all powers necessary to implement and monitor the TIRZ Plan as the City Council considers advisable, including without limitation, the submission of an Annual Reimbursement Report [defined in Article III, Section 4(f)];

WHEREAS, the Parties hereto have agreed that the TIRZ #2 shall be responsible for verifying the Developer's ongoing compliance with the requirements set forth in this Agreement necessary to obtain City payments as detailed herein;

WHEREAS, the Developer has agreed to petition the City for annexation of the land within the TIRZ, and also finance certain agreed upon infrastructure improvements, to develop the master planned mixed use project, and satisfy and comply with certain terms and conditions;

WHEREAS, the Parties agree that the provisions of this Agreement substantially advance a legitimate interest of the City;

WHEREAS, the Parties desire to cooperate in the development of the Project, on the terms and conditions contained herein;

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

I. "**Affiliate**" means, as to any Person, any other Person that, directly or indirectly, is in

Control of, is Controlled by or is under common Control with such Person or is a director or officer of such Person or of an Affiliate of such Person.

- II. **“Annual Payment(s)”** means the periodic payments of Tax Increment Revenue made to Developer as provided herein, and as set forth in Chapter 311, Texas Tax Code.
- III. **“Base Value”** shall mean the taxable value of the property located within the Property as of January 1, 2024, which amount is deemed to be \$3,083,165;
- IV. **“Captured Appraised Value”** means the total appraised ad valorem value of all real property taxable by the City and located in the Property as of January 1 of any year less the Base Tax.
- V. **“Developer Interest”** means interest accrued on the actual public improvement costs paid by the Developer at a per annum rate equal to 8.5%. Developer Interest shall accrue from the later of (i) the Effective Date of this Agreement for all expenditures made related to the creation of the TIRZ #2 or (ii) the date of actual payment by the Developer for expenditures made after the TIRZ #2 creation, and shall continue until such time the Developer receives full payment for the Project Costs (defined in Section 2(a)).
- VI. **“Person”** means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.
- VII. **“Local Government Corporation”** means a tax exempt not for profit entity created pursuant to Chapter 431, Texas Transportation Code, and authorized by the City through the approval of an agreement to manage the TIRZ on the City’s behalf, and also serve as the debt facility mechanism should the City consent to the sale of tax exempt bonds to finance developer reimbursements or other project costs.
- VIII. **“Project Manager”** means the Developer for a project by Developer or the City for a project by the City.
- XI. **“Tax Increment”** means funds from the amount of ad valorem taxes levied and collected by the City on the Captured Appraised Value of real property located within the Property.
- X. **“Tax Increment Revenue”** means all (i) tax incremental revenues levied and collected from taxable incremental value in the TIRZ #2 x the current City approved *Ad Valorem* Tax Rate x .70, for thirty four (34) years (the duration of the TIRZ #2) and payable to the Developer under this Agreement and (ii) tax

incremental revenues levied and collected from the taxable incremental value in the TIRZ #2 x the current County approved *Ad Valorem* Tax Rate, as set forth in the inter-local agreement approved by both the City and the County for thirty four (34) years (the duration of the TIRZ #2) and payable to the Developer under this Agreement.

- XI. **"Term"** means a term of thirty four (34) years during which the annual Tax Increment Revenue and annual Captured Appraised Value of the Property is calculated and the resulting Annual Payment is disbursed by the City.
- XII **"Reimbursable Project Costs"** means all costs set forth in Table I—Project Plan and Reinvestment Zone Financing Plan for TIRZ #2 and in **Exhibit B** of this Agreement, which costs are currently estimated to be \$91,252,781

ARTICLE II THE PROJECT

- 1. Development of the Project. The Project is to be constructed in two phases consisting of residential development and limited multifamily development, each phase must be in accordance with the Developer's Master Plan, and as reflected in the project plan and the approved City Plat.
- 2. Project Costs & Improvements for Subdivision 12, and 1/2 of Subdivision 16.
 - (a) All of the TIRZ #2 improvements set forth in **Exhibit B**, related to Subdivision 12, and including 3/4s of the estimated Interest costs, and 3/4 of the TIRZ administration costs, as set forth in the TIRZ #2 project plan attached hereto and incorporated herein for all purposes (collectively, and 1/2 of the project costs set forth in Exhibit B for Subdivision 16, the **"Project Improvements"**), together with the costs of the construction of such Project Improvements including, without limitation, all costs incurred in connection with obtaining governmental approvals, certificates, and permits and all costs of engineering, testing and inspection required in connection with the construction of the improvements, and including the costs of creation of the Zone shall be referred to herein as the **"Project Costs."**
 - (b) The Developer shall design, permit and construct the public roads as approved by the City and shall dedicate them, as such, to the City upon their completion. All such public roads accepted by the City shall thereafter be owned and maintained by the City.
 - (c) The Developer shall construct and install all reasonable and necessary traffic control devices (including signs) within the Project as required by the City, the County or other appropriate Party with jurisdiction. All such traffic control devices (including

signs) shall thereafter be operated and maintained by the City, the County or other appropriate Party with jurisdiction.

- (d) In the event that City and Developer mutually agree to the elimination or modification of any improvement listed as a component of the Project Costs, then the Parties may mutually agree, in writing, to modify, eliminate, amend or re-apportion the Project Costs in question.
3. Cost of Improvements to be Funded by the Developer. Unless otherwise agreed to by the Parties in writing, the Developer shall promptly pay (or cause to be paid) all Project Costs of constructing the Project Improvements including, without limitation: (i) all costs of design, engineering, materials, labor, construction, permitting, testing and inspection, arising in connection with the construction of the Project Improvements (except for those items which may be contested in good faith by Developer); (ii) all payments arising under any contracts entered into for the construction of the Project Improvements (except for those items which may be contested in good faith by Developer); (iii) land costs for land dedicated as public rights of way at fair market value; (iv) all financing costs and fees associated with the Project Improvements, including legal fees. The City *shall not be liable* to any contractor, engineer, attorney, material man, laborer, or other party employed by or on behalf of the Developer, its affiliates or designees, as the case may be, in connection with the construction of the Project Improvements.

ARTICLE III PUBLIC FINANCIAL CONTRIBUTION

1. City Payments to Developer.
- (a) In consideration of the City entering into this Agreement and providing for Annual Payments to the Developer under the terms and conditions set forth herein, as further described in more detail throughout this Agreement, the Developer agrees that it, along with its affiliates and any of Developer's current or future successors or assigns to the Project Site, in whole or in part, shall design, permit and construct the Project Improvements in accordance with the City or County codes, as applicable.
 - (b) The Annual Payments made by the City to the Developer shall be paid solely from the *ad valorem* tax incremental revenues collected in the TIRZ #2 for the prior tax year, and including any prior year reconciliations. Each Annual Payment shall be an amount equal to the total Tax Increment Revenue collected based on the following formula: (i) for the City-- Prior Tax Year Certified Taxable Value, Less Base Value / \$100 x the Current City Tax Rate x 70% and (ii) for the County—all Incremental Revenues remitted by the County to the City pursuant to the TIRZ #2 Interlocal Agreement. The Annual Payments shall be paid annually to Developer by the City no later than June 1, beginning in the first calendar year after Developer receives its first

acceptance by the City of the completion of the Project Improvements in the first subdivision platted, improved and completed by Developer and continuing each year thereafter until the earlier of: (i) the date the City has fully paid all Reimbursable Project Costs and Developer Interest to the Developer or Lender (defined below), as applicable, in an amount currently estimated to be \$64,579,552, including estimated interest payments, and as reflected in Table 1, Project Plan and Reinvestment Finance Plan, and as computed pursuant to Section II, 2 (a) of this agreement, or (i) the completion of the Term of TIRZ #2. The total reimbursement will be based on actual expenditures for approved project costs based on an independent audit.

- (c) The Developer may assign revenues received pursuant to this Agreement to a lender to collateralize a loan to further the development within the TIRZ, subject to the consent of the City, which consent shall not be unreasonably withheld. The terms of any borrowing shall be exclusively determined by negotiation between the developer and the Lender.
- 2. Annual Payment Administration. The Parties hereby agree and consent that all Annual Payments shall be paid directly by the City to the Developer or, if applicable, a Local Government Corporation (LGC) created to managed the TIRZ on behalf of the City. Once any Annual Payment (or portion thereof) is delivered by the City to the Developer, or the LGC, the City shall have no further obligation to the Developer as it relates to the annual tax incremental revenues. Total payment to Developer shall be based on the total audited costs of the Developer for those Project Costs as reflected in Table One of the Zone's approved Project Plan, as may be amended from time to time.
- 3. Project Quality. As consideration for City's obligation to pay Developer, the Developer agrees to construct the Project to the standard of quality as required by the City and the County for typical infrastructure constructed in residential and commercial projects.
- 4. Process for Project Development and Distribution of Developer Reimbursement Requests.
 - (a) Before initiating each phase of the Project, the Developer shall make a presentation to the TIRZ Board. Such presentation shall specify: (i) the phase to be initiated, (ii) the estimated cost to design and construct such phase, including any Project Costs, and (iii) the estimated time to complete such phase.
 - (b) Periodically, and no less than twice a year, the Developer shall provide reports regarding the progress of construction of the Project Improvements and the Developer's payment of Project Costs. The Developer shall allow the City and/or TIRZ Board reasonable access to the Project for inspections during all phases of construction.
 - (c) Upon completion of construction of the public infrastructure, any applicable interest in the real property upon which the public improvement is constructed shall be conveyed to the City or other public entity responsible for operation and maintenance of such

completed work, and the City will accept the same upon the completion thereof in accordance with approved plans and specifications. The Developer shall, at its own costs and expense, maintain or cause to be maintained, the completed work until acceptance by the City, as evidenced by written acceptance by the appropriate City administrator, and for one (1) year after said acceptance.

- (d) Developer will work with the TIRZ/ Redevelopment Authority administrator to have an independently prepared agreed upon procedures report (AUP) of developer reimbursable project costs this this Agreement and costs in the approved project plan and reinvestment zone financing plan prepared for submission to the Board of Directors of the TIRZ for approval.
- (e) Upon approval of the Reimbursement Report by the TIRZ Board for the particular Project phase(s) completed at that time, the reimbursements shall become an obligation of the TIRZ and shall be payable from the available funds or bonds in accordance with t h i s Agreement.
- (f) Developer agrees that imputed administration costs in the amount of up to five percent (5%) of the Annual Payment may be retained by the City, and deduction from the Annual Payment made by the City to the Developer (the "**Administrative Costs**").

ARTICLE IV MISCELLANEOUS PROVISIONS

1. Default; Remedies.

- (a) Unless otherwise provided herein, any Party to this Agreement that believes that the other Party to this Agreement has defaulted in the performance of any condition, term, or obligation owed to that Party under this Agreement shall within twenty (20) business days after discovery of said default, give written notice of the default to the defaulting Party, specifying in detail the provision or provisions of this Agreement that have allegedly been breached and what specific action must be taken to cure or correct the default. Should the Party receiving the notice fail to commence action to correct the default within thirty days, and/or thereafter fail to diligently pursue the completion of the action to correct the default, the Party giving the notice of default may declare the defaulting Party in default. In addition to any other right or remedy available to the Parties under this Agreement, in the event that a Party is declared in default, the complaining Party shall have the right (but not the obligation), in its sole discretion, to exercise its rights with regards to mandamus, specific performance or mandatory or permanent injunction to require the Party alleged to have defaulted or breached to perform.
- (b) In the event that the Developer is in default, the City shall not be obligated to make Annual Payment(s), or any portion thereof, to the Developer unless and until the default has been cured to the reasonable satisfaction of the City. In the event that the

Developer fails to: (i) diligently pursue the completion of the action to correct the default as determined in the City's reasonable discretion, on the timeline established by the City Council; and (ii) such default remains on going six (6) months from the date of the cure deadline established by the City Council pursuant to this section, this Agreement may be terminated or suspended.

- (c) Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section or pursuant to the provisions of any other Section of this Agreement will constitute an election of remedies; and all remedies set forth in this Agreement will be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties has the affirmative obligation to mitigate its damages in the event of a default by the other Party.
 - (d) Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any party, except for a delay in payment of the Annual Payment, is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending or threatened litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, or tornadoes], labor action, strikes or similar acts) or pandemics, including without limitation, Covid 19, the time for such performance shall be extended by the amount of time of such delay ("**Force Majeure**").
2. Separate Status. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in their respective businesses or otherwise, nor shall it cause them to be considered joint ventures or members of any joint enterprise.
3. Construction and Interpretation.
- (a) Whenever required by the context of this Agreement, (i) the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa, and (ii) use of the words "including", "such as", or words of similar import, when following any general term, statement or matter, shall not be construed to limit such statement, term or matter to specific terms, whether or not language of non-limitation, such as "without limitation", or "but not limited to", are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest scope of such statement, term or matter.

- (b) The captions preceding the text of each article and section of this Agreement are included only for convenience of reference. Captions shall be disregarded in the construction and interpretation of this Agreement. Capitalized terms are also selected only for convenience of reference and do not necessarily have any connection to the meaning that might otherwise be attached to such term in a context outside of this Agreement.
- (c) This Agreement may be executed in several counterparts; each of which shall be deemed an original. The signatures to this Agreement may be executed and notarized on separate pages, and when attached to this Agreement shall constitute one (1) complete document.

4. **Indemnification ; Errors, Omissions, Negligent Acts, Legal Fees**

The Developers shall save and hold harmless the City of Mercedes, and its officers and employees, the City's Tax Increment Reinvestment Zone directors and employees, and it's authorized and overlayed Local Government Corporation directors and employees from all claims and liability due to activities of itself, its agents, or employees, performed under this contract and which are caused by or result from error, omission, or negligent act of the Developers or of any person employed by the Developers. Such indemnity shall include but not limited to, attorney fees which may be incurred by the City of Mercedes in litigation or otherwise resisting said claim or liabilities which may be imposed on the City as a result of such activities by the Developers, their agents, or employees.

- 5
- (a) Actions Performable. The Parties agree that all actions to be performed under this Agreement are performable solely in City of Mercedes, Texas.
 - (b) Assignability. Performance by Developer and TIRZ #2 under the terms and conditions of this Agreement are deemed personal and, as such, any attempt to convey, assign or transfer those duties and obligations without the prior written approval and consent by the City are void except for (i) assignments and partial assignments of this Agreement by Developer to any Affiliate of Developer, which are expressly permitted, (ii) assignments and partial assignments of this Agreement by Developer to third parties to whom the Developer has sold land within the Project and provided written notice to the City and TIRZ #2 of same, and (iii) Collateral Assignments [defined in Article V below] and Security Agreements [defined in Article V below] of this Agreement to Lender and other security interests granted under the Loan Documents for the benefit of Lender, which are all expressly permitted hereunder.
 - (c) Severability. If any provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void; but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the Parties.

- (d) Complete Agreement. This Agreement represents the complete agreement of the Parties with respect to the subject matter hereof and supersedes all prior written and oral matters related to this Agreement. Any amendment to this Agreement must be in writing and signed by all Parties hereto or permitted or approved assignees.
- (e) Exhibits. All exhibits attached to this Agreement are incorporated herein by reference and expressly made part of this Agreement as if copied verbatim.
- (f) Notice. Any notice or demand, which either the City or the Developer is required to or may desire to serve upon the other, must be in writing, and shall be sufficiently served if
- (i) personally delivered, (ii) sent by registered or certified mail, postage prepaid, or (iii) sent by commercial overnight carrier, and addressed to:

If to the City:

City of Mercedes, Texas
Attn: City Manager
400 S. Ohio Street
Mercedes, Texas 78570

If to the Developer:

San Jacinto Enterprises
ATT: Mr. Jacinto Garza
2100 W. Expressway 83
Mercedes Texas 78570

If to the TIRZ:

Bill Calderon
Calderon Economic Development Strategies LLC
5523 Spellman Road
Houston, Texas 77096

or such other address or addresses which any Party may be notified in writing by any other Party to this Agreement.

Such notice shall be deemed to have been served (a) five (5) business days after the date such notice is deposited and stamped by the United States Postal Service, except when lost, destroyed, improperly addressed or delayed by the United States Postal Service, or (b) upon receipt in the event of personal service, or (c) the first business day after the date of deposit with an overnight

courier, except when lost, destroyed, improperly addressed or delayed by the courier, or (d) the date of receipt by facsimile (as reflected by electronic confirmation); provided, however, that should such notice pertain to the change of address to any of the Parties hereto, such notice shall be deemed to have been served upon receipt thereof by the Party to whom such notice is given.

(g) Force Majeure. The Parties agree that the obligations of each Party shall be subject to Force Majeure.

(h) Forum Selection. This Agreement and the relationship between the Parties hereto shall be governed and interpreted under the laws of Texas without regard to any conflict of laws provision. Venue for any suit arising out of any relationship between the Parties hereto shall exclusively be the appropriate court in the City of Mercedes, Texas. The Parties specifically consent to and waive any objections to, in personam jurisdiction in City of Mercedes, Texas.

6. Effective Date. This Agreement shall be binding and take effect only upon all Parties signatures hereto, attachment of all required exhibits, and receipt by the City of a fully executed copy hereof. For the purposes of timetables provided in this Agreement, the Effective Date shall be the date first above written.

7. Preamble. The findings of fact, recitations and provisions set forth in the preamble to this Agreement are true and are adopted and made a part of the body of this Agreement, binding the Parties hereto, as if the same were fully set forth herein.

8. Representations. The City and TIRZ #2 represent and warrant to the Developer that the City and TIRZ #2 are duly authorized and empowered to enter into this Agreement, subject to the terms and conditions contained herein, and have the legal right to reimburse the Developer as provided in this Agreement. The Developer represents and warrants to the City and TIRZ #2 that it has the right to enter into this Agreement and is a proper party to this Agreement.

9. Signature Warranty Clause. The signatories to this Agreement represent and warrant that they have the right to execute this Agreement on behalf of the City, TIRZ #2, and Developer, respectively.

10. Legal Contest. This Agreement is entered into in accordance with applicable law as understood by the Developer, the TIRZ #2, and the City. In the event any part, provision or paragraph thereof shall become unenforceable by reason of judicial decree or determination the Parties hereto mutually agree to the extent possible to ensure that all other provisions of this Agreement, including the intent of this Agreement be honored and performed.

11. Conflicts with Ordinances. The Parties agree that any City and/or TIRZ #2 ordinance, or regulation by any other agency over which the City and/or TIRZ #2 has control, whether heretofore or hereafter adopted, that addresses matters that are covered by this Agreement shall not be enforced by the City and/or TIRZ #2, and that the provisions of this Agreement govern

development of the Property and supersede any ordinance or regulation heretofore or hereafter adopted regarding the matters discussed herein.

12. Survival. The covenants and agreements of the Parties set forth in this Agreement shall terminate and expire upon of earlier of (i) when the City, on behalf of itself and the County, has paid all Reimbursement Project Costs and Developer Interest to the Developer, or (ii) December 31, 2059; provided, that the Developer's obligation to indemnify and hold harmless the City and TIRZ #2 shall survive the termination and expiration of this Agreement.

13. Amendment. Any term of this Agreement may be amended or waived only by an instrument in writing and signed by all Parties hereto. Notwithstanding the foregoing, so long as a Lender or its successors or assigns have any liens and/or security interest covering the Property and/or this Agreement, including without limitation, by a Deed of Trust [defined Article V (1) below] covering all or a portion of the Property, and/or a Security Agreement and/or Collateral Assignment covering this Agreement and/or the Other Agreements [defined in Article V (1) below], there shall be no amendments, revisions or corrections to this Agreement without the prior written consent of Lender, which may be withheld in the Lender's sole discretion.

14. Time and Business Days. Time is of the essence for the performance of any obligation under this Agreement. If any date or period for performance provided for herein ends on a Saturday, Sunday, or legal holiday of the City of Mercedes, Texas, then the applicable date or period will be extended to the first day following such Saturday, Sunday, or legal holiday. A business day is defined herein as any day that is not a Saturday, Sunday or legal holiday of the City of Mercedes, Texas.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

City of Mercedes, TEXAS

BY: _____

OSCAR MONTOYA, MAYOR

Date: _____

**TAX INCREMENT REINVESTMENT ZONE NO.
TWO, City of Mercedes, TEXAS,**

a reinvestment zone created by the City of Mercedes, Texas
pursuant to Chapter 311 of the Texas Tax Code

BY: _____

Chairman of the Board of Directors

Date: _____

SAN JACINTO ENTERPRISES

a Texas limited liability company

By: _____

Jacinto, Garza, President



CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me by OSCAR MONTTOYA, Mayor, for the City of Mercedes, Texas, a municipal corporation of the State of Texas, on behalf of said corporation, this _____ day of JANUARY, 2025.

Notary Public, State of Texas

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me by OSCAR MONTTOYA Chairman of the Board of Directors, for Tax Increment Reinvestment Zone No. TWO, City of Mercedes, Texas, a reinvestment zone created by the City of Mercedes, Texas pursuant to Chapter 311 of the Texas Tax Code, on behalf of said reinvestment zone, this _____ day of JANUARY, 2025

Notary Public, State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on JANUARY _____, 2025 by JACINTO GARZA, as the PRESIDENT, SAN JACINTO ENTERPRISES, a Texas limited liability company, on behalf of said limited liability company.

Notary Public, State of Texas

PROPERTY MAP

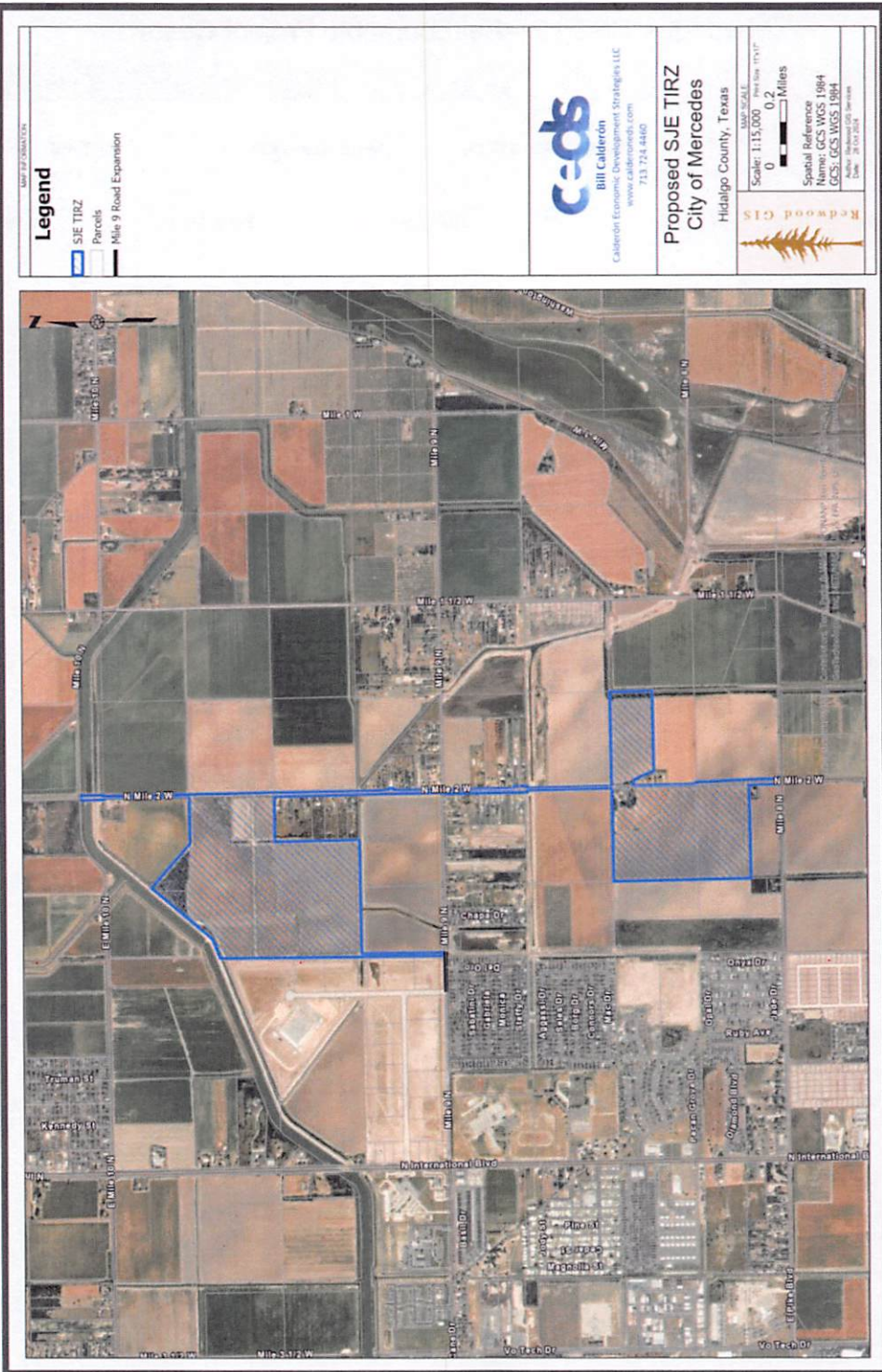
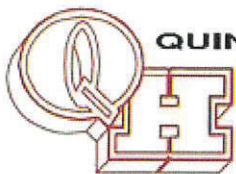


EXHIBIT B
List of Improvements and Eligible TIRZ Project Costs

Mercedes TIRZ #2 — Reimbursable Project Costs				
Category	Subdivision #12 (1)	Subdivision #16 (1)		Total
ROW for Roads/ drainage	\$871,354	\$463,146		\$1,334,500
Surveys/ topos, staking +	\$186,400	\$173,680		\$360,080
Engineering	\$914,428	\$1,029,500		\$1,943,928
Offsite Water Distribution System		\$1,537,300		\$1,537,300
Water Lines	\$1,706,400	\$2,034,985		\$3,741,385
Water supply corp dev fees	\$467,570	\$355,000		\$822,570
Sanitary Sewer	\$2,826,800	\$4,763,342		\$7,590,142
AEP Electrical	\$150,000	\$320,000		\$470,000
Irrigation Line removal	\$30,000	\$14,000		\$44,000
Subdivision Road	\$5,538,764	\$4,363,660		\$9,902,424
Erosion mitigation	\$146,520	\$66,300		\$212,820
Drainage/detention	\$2,579,485	\$1,535,056		\$4,114,541
Fencing/landscaping in public POW	\$973,800	\$551,300		\$1,525,100
Dev. Fees/ Subdivision Adm.	\$26,840	\$26,840		\$53,680
Tap Fees	\$51,300			\$51,300

County Inspection / Utility Fees		\$8,000	\$12,000		\$20,000
Inspection/testing		\$654,348	\$588,400		\$1,242,748
City Park Fees		\$235,500	\$152,500		\$388,000
Public Road improvements		\$1,500,000			\$1,500,000
Creation Costs					\$120,000
Interest Carry (2)					\$40,000,000
Project administration -7 years (3)		\$2,800,000	\$2,800,000		\$5,600,000
Contingency		\$1,858,815	\$1,319,448		\$3,178,263
Chapter 380 project funding					\$3,000,000
TIRZ / RA Administration (4)					\$2,500,000
Total		\$23,526,324	\$22,106,457		\$91,252,781
(1) Projected costs are best estimates based on today's cost. Actual reimbursement of these items will be based on independently audited actual costs.					
(2) Interest paid will depend on a) audited amounts paid for project costs while payments are "as you go," or on the capital cost for tax exempt bonds when sold.					
(3) Project cost will finance admin management of multiple contractors involved in both the residential project and the public road improvements undertaken by the Developer					
(4) Redevelopment Authority management including legal, bookkeeping, auditing, and RA/Zone managing					

Exhibit C—Boundary Description for Subdivision 12 and 1/2 of Subdivision 16



QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

Consulting Engineers ★ Land Surveyors

Engineering Firm Registration No. F-1513
Surveying Firm Registration No. 100411-00
Municipal & County Projects ★ Subdivisions ★ Surveys
124 E. Stubbs, Edinburg, Texas 78539
Phone 956/381-6480 Fax 956/381-0527

METES AND BOUNDS

A 13.41 ACRE TRACT OF LAND BEING A PART OR PORTION OF LOT 12, BLOCK 102, CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE PLAT OR MAP THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS HIDALGO COUNTY, TEXAS, AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A COTTON PICKER SPINDLE SET WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD FOR THE NORTHWEST CORNER OF LOT 12 AND THE THE NORTHWEST CORNER OF THIS TRACT.

THENCE; EAST, ALONG THE NORTH LINE OF LOT 12, PASSING A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET AT 30.00 FEET FOR THE EAST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A TOTAL DISTANCE OF 1,320.00 FEET TO A POINT FOR THE NORTHEAST CORNER OF LOT 12 AND THE NORTHEAST CORNER OF THIS TRACT.

THENCE; SOUTH, ALONG THE EAST LINE OF LOT 12, A DISTANCE OF 661.78 FEET TO A POINT FOR THE NORTHEAST CORNER OF THE JOSE NICOLAS CADENA AND JORGE CADENA TRACT (THE SOUTH HALF OF LOT 12, BLOCK 102, CAMPACUAS ADDITION, ACCORDING TO WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 368072, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) AND THE SOUTHEAST CORNER OF THIS TRACT.

THENCE; N 89°55'04" W, ALONG THE NORTH LINE OF THE JOSE NICOLAS CADENA AND JORGE CADENA TRACT, A DISTANCE OF 421.00 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR THE SOUTHWEST CORNER OF THIS TRACT.

THENCE; NORTH, A DISTANCE OF 291.67 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; WEST, A DISTANCE OF 677.00 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN EXTERIOR CORNER OF THIS TRACT.

THENCE; NORTH, A DISTANCE OF 119.50 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

A 7.35 AC TR OF LAND BEING A PART OR PORTION OF LOT 12, BLOCK 102
CAMPACUAS ADDITION

THENCE; WEST, PASSING A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET AT 192.00 FEET FOR THE EAST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A TOTAL DISTANCE OF 222.00 FEET TO A COTTON PICKER SPINDLE SET ON THE WEST LINE OF LOT 12 AND WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD FOR THE MOST SOUTHERLY NORTHWEST CORNER OF THIS TRACT.

THENCE; NORTH, ALONG THE WEST LINE OF LOT 12 AND WITHIN THE RIGHT OF WAY OF MILE 2 WEST ROAD, A DISTANCE OF 250.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 13.41 ACRES OF LAND MORE OR LESS.

BEARINGS ARE IN ACCORDANCE WITH LAS BRISAS DEL ORO UNIT 5, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 35, PAGE 13, MAP RECORDS, HIDALGO COUNTY, TEXAS.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

DATE PREPARED: AUGUST 14, 2025



ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



SCALE 1" = 100'

MILE 2 WEST ROAD

P.O.B.
SET C.P.S.
N.W. COR.
LOT 12
BLK. 102

10.00'
SET 1/2" X 24"
IRON ROD WITH
CAP STAMPED
RPLS 4856

36" GATE WELL
IRR. VALVE
WITH 36" FIBERGLASS
STANDPIPE

EAST

1320.00'

UNABLE TO SET FALL
INSIDE CONCRETE CANAL
N.E. COR.
LOT 12
BLK. 102

STEEL IRRIGATION LINE

GATE VALVE

40.00'

40.00'

15.00' H.C.C.I.D. No. 9 IRRIGATION EASEMENT

IRR. VALVE

EXISTING 80.00' R.O.W.

30.00' H.C.C.I.D. No. 9
IRRIGATION EASEMENT
CENTER ON PIPELINE

30.00' HIGHWAY RIGHT OF WAY EASEMENT TO COUNTY OF HIDALGO
RECORDED IN VOLUME 969, PAGE 612, OFFICIAL RECORDS,
HIDALGO COUNTY, TEXAS.

WEST 222.00'

NORTH 119.50'

TRACT No. 1
13.41 ACRES

WEST

677.00'

SET 1/2" X 24"
IRON ROD WITH
CAP STAMPED
RPLS 4856

SET 1/2" X 24"
IRON ROD WITH
CAP STAMPED
RPLS 4856

NORTH 291.67'

661.78'

LOT 11, BLOCK 102, CAMPACUAS ADDITION
RECORDED IN VOLUME 1, PAGE 2, MAP
RECORDS, HIDALGO COUNTY, TEXAS.

SOUTH

EXIST. 20' ELEVATED
CONCRETE CANAL

80.00' CANAL
AND DRAINAGE
DITCH EASEMENT

UNABLE TO SET FALL
INSIDE CONCRETE CANAL

N 89°55'04" W
421.00'

SET 1/2" X 24"
IRON ROD WITH
CAP STAMPED
RPLS 4856

FND. 1/2"
IRON ROD

THE JOSE NICOLAS CADENA AND JORGE CADENA
TRACT: THE SOUTH HALF OF LOT 12, BLOCK
102, CAMPACUAS ADDITION, ACCORDING TO
WARRANTY DEED RECORDED UNDER COUNTY
CLERK'S DOCUMENT NUMBER 368072, OFFICIAL
RECORDS, HIDALGO COUNTY, TEXAS.

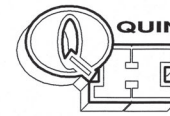
LEGEND
● = SET 1/2" X 24"
IRON ROD WITH CAP
STAMPED RPLS 4856
UNLESS OTHERWISE NOTED

FLOOD ZONE DESIGNATION: ZONE "X" (SHADED)
AREAS OF 500-YEAR FLOOD; AREAS OF 100-YEAR
FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT
OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE;
AND AREAS PROTECTED BY LEEVES FROM 100-YEAR
FLOOD.

COMMUNITY-PANEL NUMBER 480334 0450 C
MAP REVISED: JUNE 6, 2000
MAP REVISED: MAY 30, 2002 (LOMR)

BEARINGS SHOWN ON THIS SURVEY PLAT ARE IN
ACCORDANCE WITH LAS BRISAS DEL ORO UNIT
5 RECORDED IN VOLUME 35, PAGE 13, MAP RECORDS,
HIDALGO COUNTY, TEXAS.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL
LAND SURVEYOR, DO HEREBY CERTIFY THE FOREGOING
PLAT TO BE A TRUE AND CORRECT REPRESENTATION
OF THE LANDS SHOWN AS THE RESULT OF AN ACTUAL
SURVEY DONE ON THE GROUND UNDER MY DIRECTION.
THERE ARE NO VISIBLE DISCREPANCIES, CONFLICTS, OR
SHORTAGES IN AREA ON BOUNDARY LINES, OR ANY VISIBLE
ENCROACHMENTS, OR ANY VISIBLE OVERLAPPING OF
IMPROVEMENTS EXCEPT AS SHOWN ON THIS PLAT.



QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

CONSULTING ENGINEERS

124 E. STUBBS ST.
EDINBURG, TEXAS 78539
ENGINEERING REGISTRATION NUMBER F-1513
SURVEYING REGISTRATION NUMBER 100411-00

LAND SURVEYORS

PHONE 956-381-6480
FAX 956-381-0527
ALFONSO@QHA-ENG.COM



Alfonso Quintanilla
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4856

VOL. 1 PAGE 2
SURVEYED AUGUST 14, 2025
OWNER
ADDRESS
JOB No. G.F. No. 954162
BOOK No. PAGE
FILE NAME: Z:\data\SUBDIVISIONS\Mercedes\SAN JACINTO ESTATES No.16\DWG\SURVEY\13.41 SURVEY



QUINTANILLA, HEADLEY AND ASSOCIATES, INC.

Consulting Engineers ★ Land Surveyors

Engineering Firm Registration No. F-1513
Surveying Firm Registration No. 100411-00
Municipal & County Projects ★ Subdivisions ★ Surveys
124 E. Stubbs, Edinburg, Texas 78539
Phone 356/381-6480 Fax 356/381-6527

METES AND BOUNDS

A 32.01 ACRE TRACT OF LAND BEING A PART OR PORTION OF LOT 9, BLOCK 115, CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO THE PLAT OR MAP THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS HIDALGO COUNTY, TEXAS, AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING AT A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET ON THE NORTH LINE OF LOT 9 AND ON THE WEST RIGHT OF WAY OF MILE 2 WEST ROAD (ACCORDING TO RIGHT OF WAY DEED RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 1945603, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS) FOR THE NORTHEAST CORNER OF THIS TRACT, SAID ROD BEARS WEST, 50.00 FEET FROM THE NORTHEAST CORNER OF LOT 9.

THENCE; SOUTH, ALONG THE WEST RIGHT OF WAY LINE OF MILE 2 WEST ROAD, A DISTANCE OF 1,105.00 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR THE SOUTHEAST CORNER OF THIS TRACT.

THENCE; WEST, A DISTANCE OF 1,075.35 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR THE SOUTHWEST CORNER OF THIS TRACT.

THENCE; N 62°15'37" W, A DISTANCE OF 100.21 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET FOR AN INTERIOR CORNER OF THIS TRACT.

THENCE; S 67°29'24" W, A DISTANCE OF 115.08 FEET TO A 1/2" IRON ROD WITH CAP STAMPED RPLS 4856 SET ON THE WEST LINE OF LOT 9 FOR THE MOST NORTHERLY SOUTHWEST CORNER OF THIS TRACT.

THENCE; NORTH, ALONG THE WEST LINE OF LOT 9, A DISTANCE OF 1,014.30 FEET TO A 1/2" IRON ROD FOUND FOR THE NORTHWEST CORNER OF LOT 9 AND THE NORTHWEST CORNER OF THIS TRACT.

THENCE; EAST, ALONG THE NORTH LINE OF LOT 9, A DISTANCE OF 1,270.35 FEET TO THE POINT OF BEGINNING AND CONTAINING 32.01 ACRES OF LAND MORE OR LESS.

BEARINGS ARE IN ACCORDANCE WITH LAS BRISAS DEL ORO UNIT 5, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 35, PAGE 13, MAP RECORDS, HIDALGO COUNTY, TEXAS.

I, ALFONSO QUINTANILLA, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY THE ABOVE METES AND BOUNDS TO BE TRUE AND CORRECT, AND TO BE THE REPRESENTATION AND RESULT OF AN ACTUAL SURVEY DONE ON THE GROUND UNDER MY DIRECTION.

DATE PREPARED: AUGUST 14, 2025

ALFONSO QUINTANILLA
REGISTERED PROFESSIONAL
LAND SURVEYOR No. 4856



LOT 7, BLOCK 115, CAMPACUAS ADDITION
RECORDED IN VOLUME 1, PAGE 2, MAP
RECORDS, HIDALGO COUNTY, TEXAS.

LOT 8, BLOCK 115, CAMPACUAS ADDITION RECORDED IN
VOLUME 1, PAGE 2, MAP RECORDS, HIDALGO COUNTY,
TEXAS.

LOT 10, BLOCK 115, CAMPACUAS ADDITION
RECORDED IN VOLUME 1, PAGE 2, MAP
RECORDS, HIDALGO COUNTY, TEXAS.

- LEGEND
- = GUY WIRE
 - = POWER POLE
 - = WATER METER
 - = SIGN
 - = SERVICE POLE
 - = TEL. POLE
 - = IRRIGATION VALVE

- LEGEND
- SET 1/2" X 24" IRON ROD WITH CAP
 - SURVEY POINT
 - UNLESS OTHERWISE NOTED

SCALE 1" = 100'

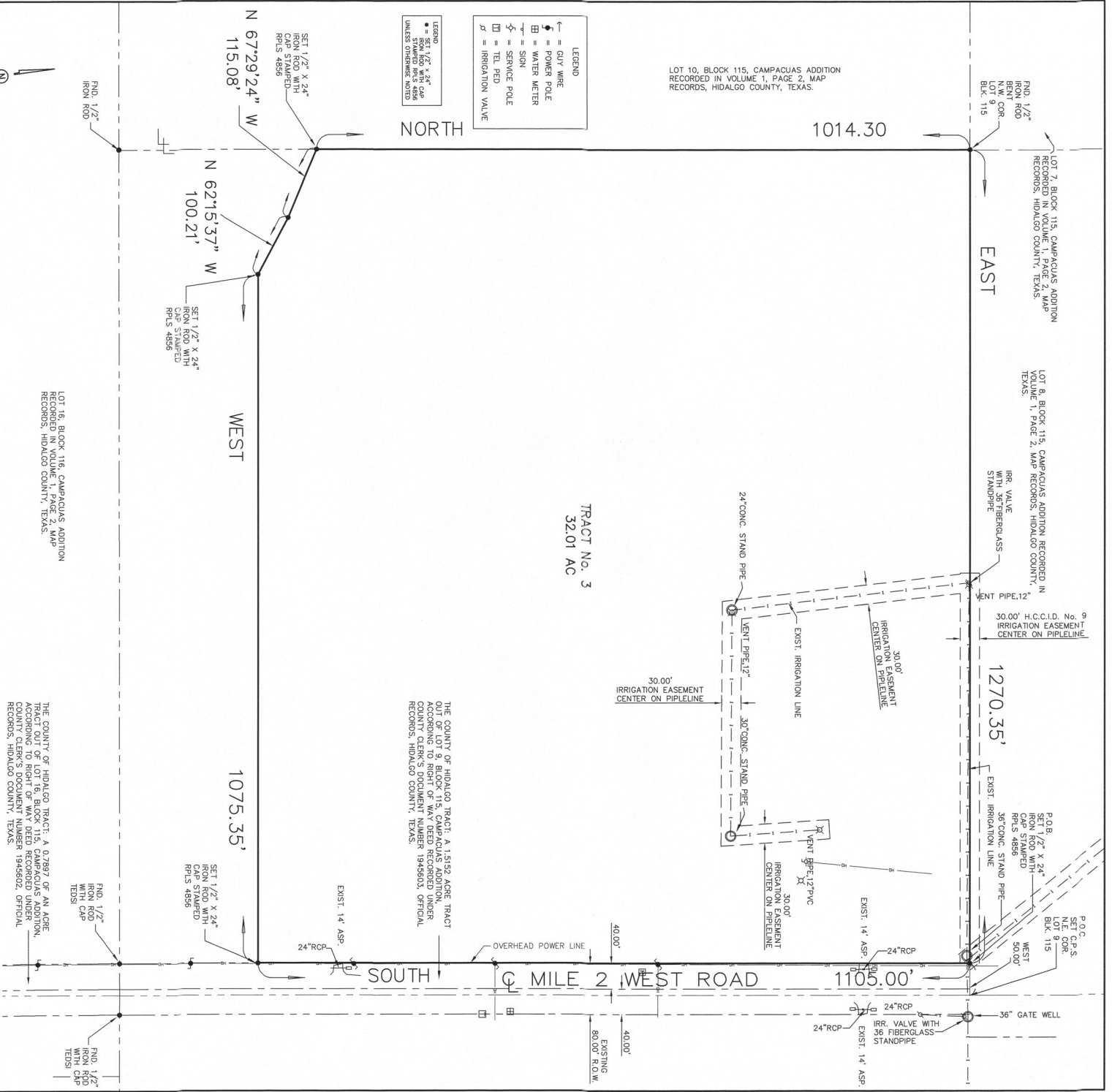
PLAT SHOWING
A 32.01 ACRE TRACT OUT OF LOT 9 BLOCK 115, CAMPACUAS
ADDITION, HIDALGO COUNTY, TEXAS, ACCORDING TO MAP OR PLAT THEREOF
RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS, HIDALGO COUNTY, TEXAS,
AND ACCORDING TO CORRECTION SPECIAL WARRANTY DEED RECORDED UNDER
COUNTY CLERK'S DOCUMENT NUMBER 3366599, OFFICIAL RECORDS, HIDALGO
COUNTY, TEXAS.

VOL. 1 PAGE 2
SURVEYED AUGUST 14, 2025
OWNER
ADDRESS
409 W.2
BOOK No. PAGE

QUINTANILLA, HEADLEY AND ASSOCIATES, INC.
CONSULTING ENGINEERS
124 E. STUBBS ST.
EDINBURG, TEXAS 78539
ENGINEERING REGISTRATION NUMBER 1-1513
SURVEYING REGISTRATION NUMBER 10041-00
LAND SURVEYORS
PHONE 956-381-6480
FAX 956-381-0527
ALTONS@CCH-ENG.COM



REGISTERED PROFESSIONAL LAND SURVEYOR
ALTONS QUINTANILLA
No. 4856



City of Mercedes

Asset Disposition Form

(Use this form only for equipment that has the City of Mercedes bar code tag)

The following equipment being disposed:

Barcode #	Qty	Description of Items	Purchase Date	Cost	Disposition Code
065 0	1	Xerox Copier			C
		Item No. 497K03860			

REASON OF DISPOSAL:

Equipment/machine not working properly

Department: Recreation Center



August 12, 2025

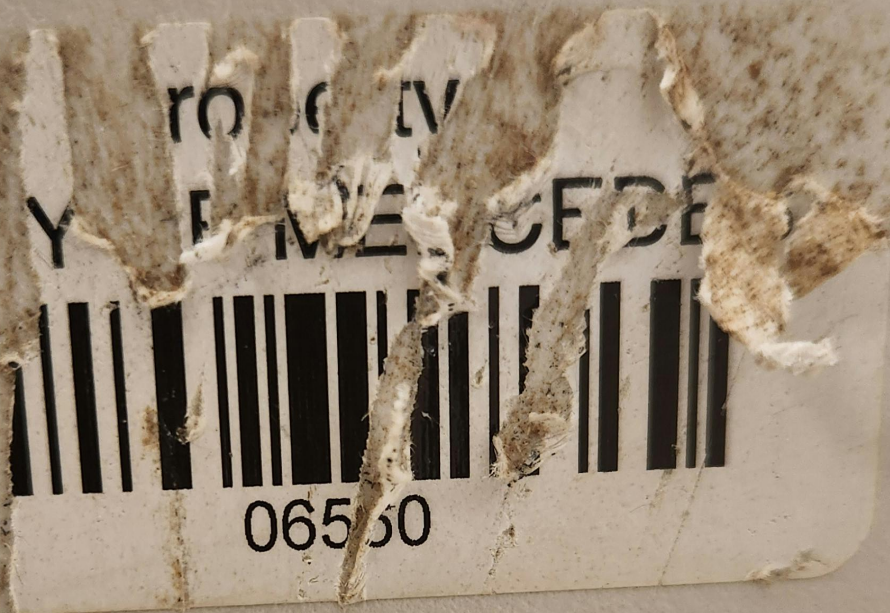
DEPARTMENT HEAD

DATE

Disposition Code	
A	Lost
B	Stolen
C	Damaged
D	Other (exceeded useful life)

CITY MANAGER

DATE





Item No: 497K03860

7/8/2019 11:34:05 AM

AC10S3

XEROX 2/3 HOLE PUNCH 52/53,



City of Mercedes

Asset Disposition Form

(Use this form only for equipment that has the City of Mercedes bar code tag)

The following equipment being disposed:

DATE	Barcode #	Qty	Description of Items	Purchase Date	Cost	Disposition Code
8/4/2025		1	WERNER ALUM. LADDER			D

REASON OF DISPOSAL:

BROKEN, NOT SAFE

Department: PUBLIC WORKS


 DEPARTMENT HEAD 8/5/25
 DATE

Disposition Code	
A	Lost
B	Stolen
C	Damaged
D	Other (exceeded useful life)

 CITY MANAGER DATE



Mercedes Police Department- AUCTION INVENTORY

General Dynamics Patrol Computers (1)

Tool Box

Flat Panel Dismount- Kensington

Dell Keyboard

Dell Mouse

Logitech Mouse

HDMI Cable

Chair Pillow-blue

Pelonis mini fan

Metal Desk Tray with Dividers

Flag Pole Stand

Dell Monitor

Leg Cover for wheeled stand

Dell Key Board

Metal Squared Sticks

Wall electric switch with wire

American Cross blankets

Round Honeywell fan

Dell Wireless Mouse

Bandec Stands

Stream light charger

Black Round Poles

Box 1

OptiPlex 3010 CPV

Lacrosse Raining Boots

Computer black cords

Dell keyboard

Dell Mouse

Red Nike shoes

AT&T Hat

Copy Stars- CD Burner

Green Flag Carrier

Computer Speaker

Black Bag

Amazon Speaker

Box 2

White Multiple Connections Cord

Yellow Ethernet Wire

Wall Clock

Land line phone

Dell key boards

WatchGuard Body Camera

Gray Cord

Ethernet Modem- Intellinet

Dell computer speaker

Night Owl Console

Speco Technologies Console

Logitech Mouse

Radio Communications Radio Charger

Flat Head Screwdriver

Big Square Charger

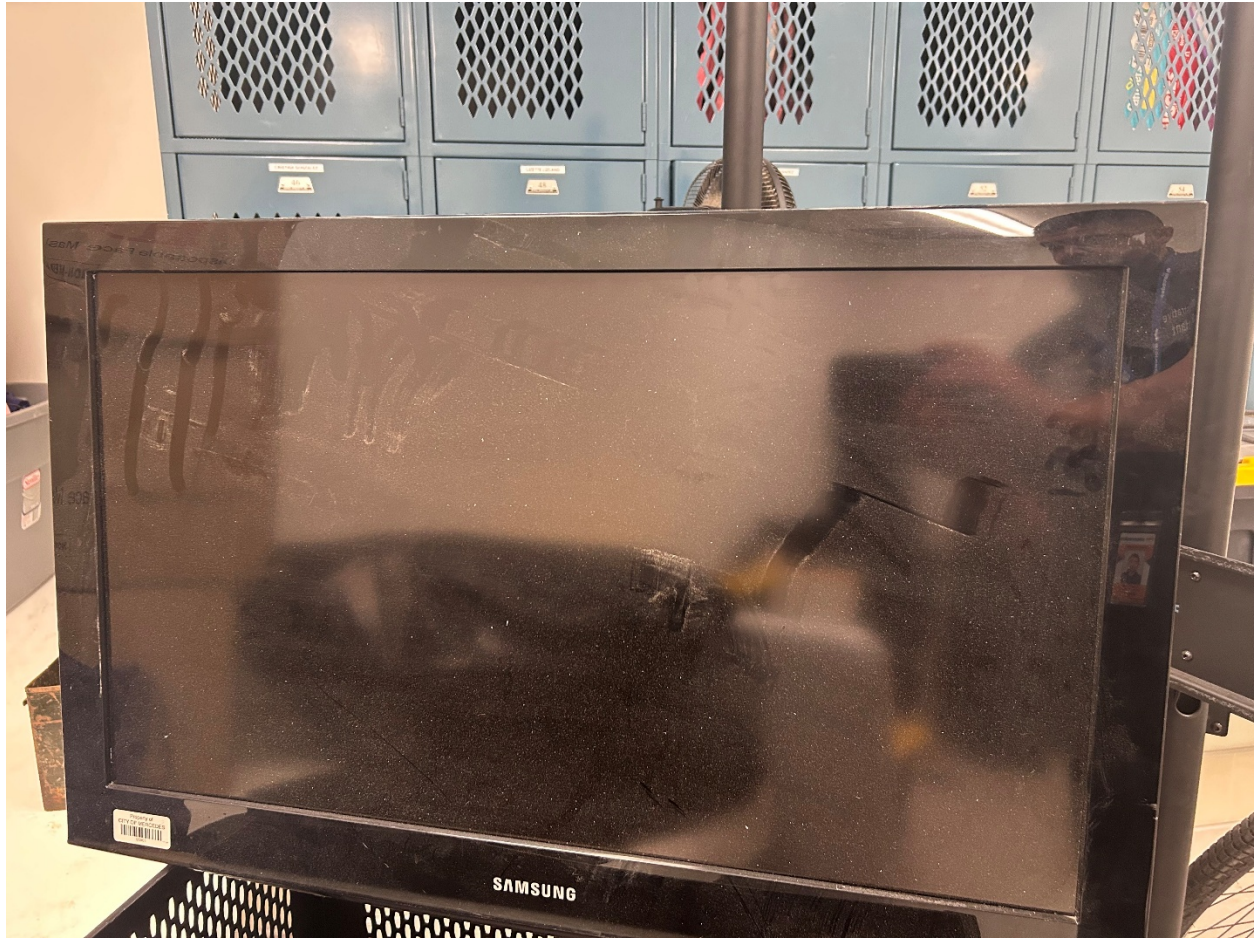
Harman Speakers

Dell Computer Speakers

Computer Charges

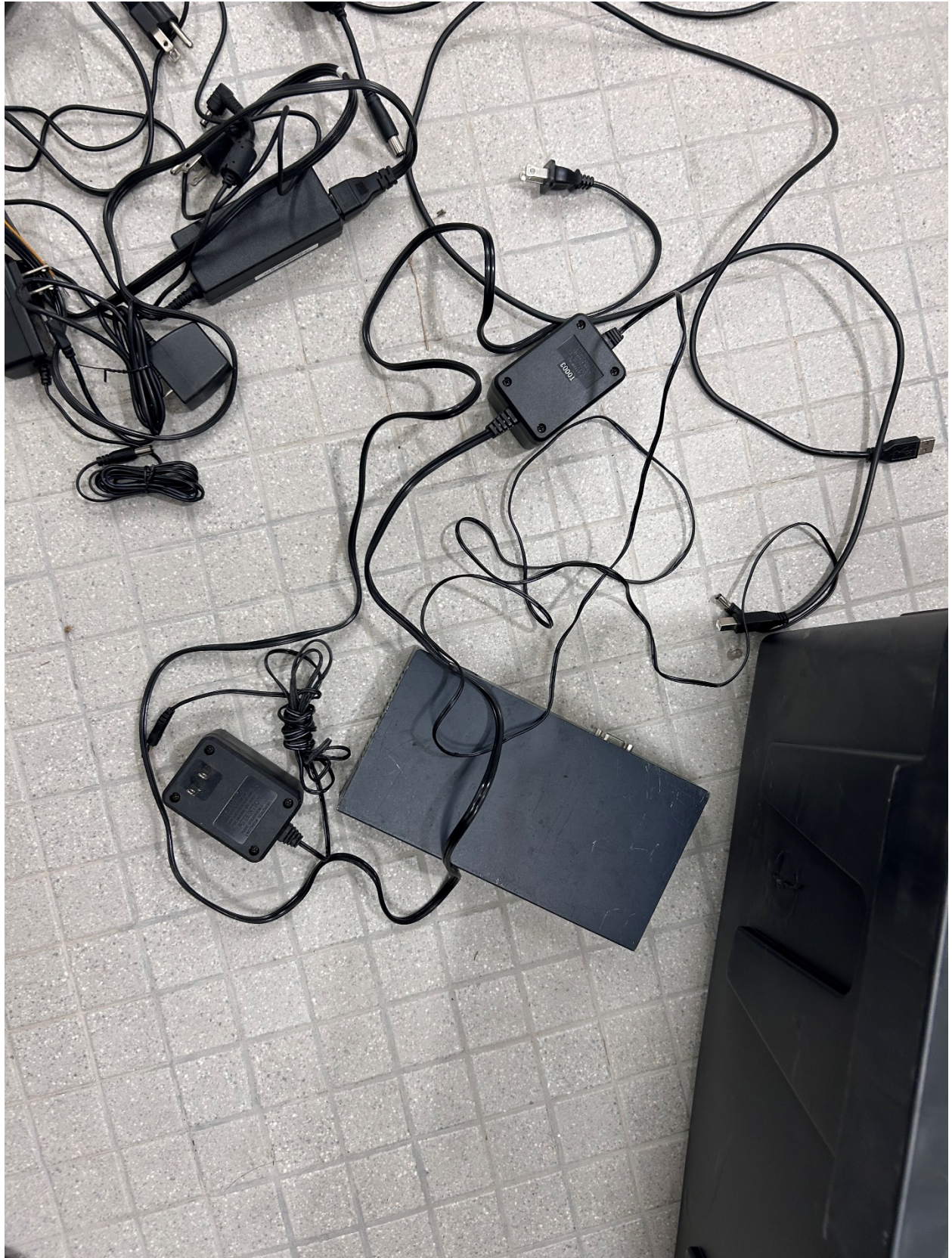
Light Bars

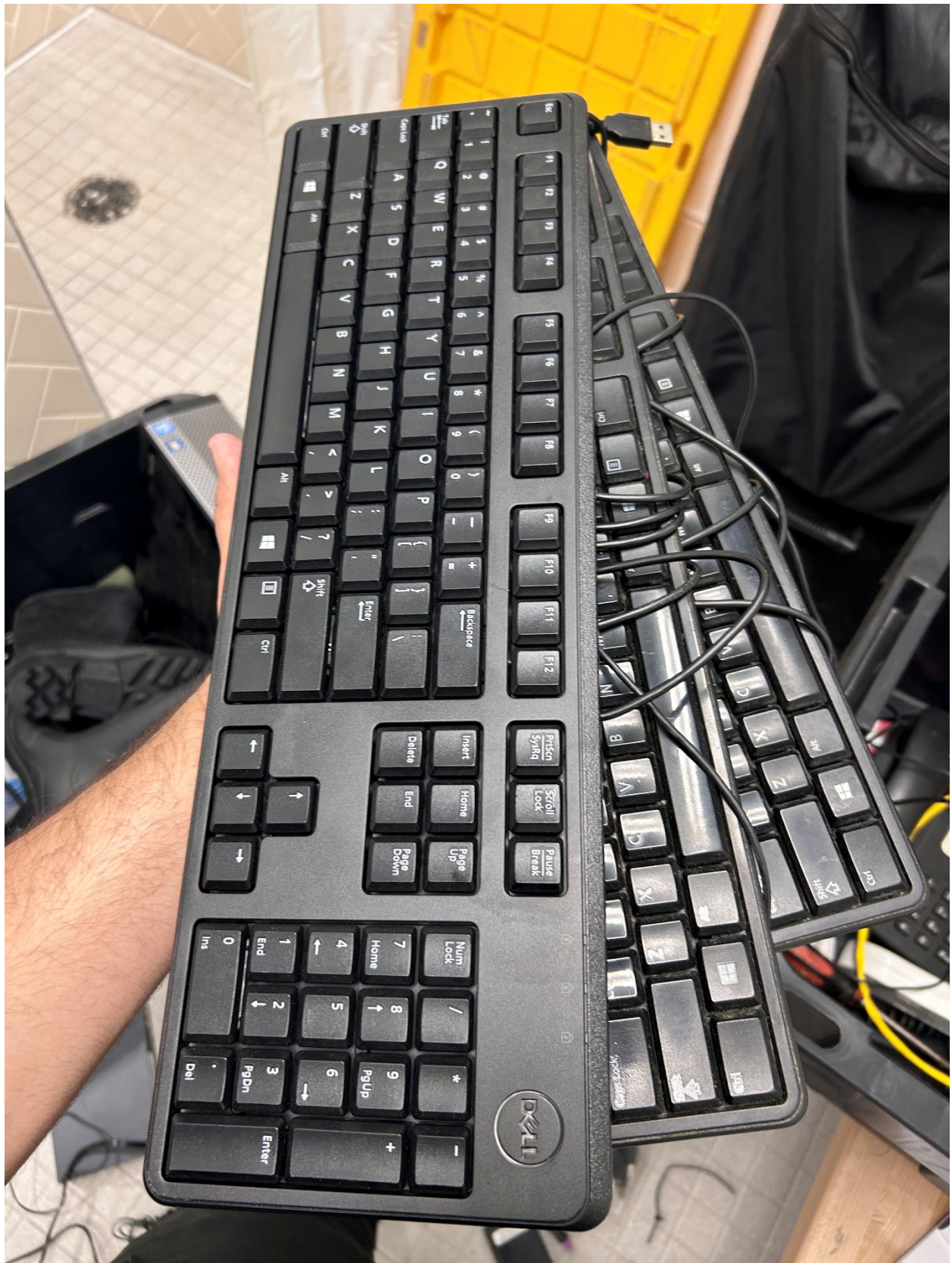






















2007 FORD F150 PICKUP

Unit # 359

Tmk Auto hist # 120

VIN: 1FTRF12217KD41884

Assigned Department: PLANNING

LP#: 103-3724

BAR CODE#: 4550

_____ **INSURANCE**

_____ **TITLE**



Upon sale of this vehicle, the purchaser must apply for a new title within 20 working days unless the vehicle is purchased by a dealer. Until a new title is issued, the vehicle record will continue to reflect the owner's name listed on the current title. SEE BACK FOR ADDITIONAL INFORMATION.



CITY OF MERCEDES
400 S OHIO ST
MERCEDES, TX 78570-3120



DETACH HERE

TEXAS CERTIFICATE OF TITLE



VEHICLE TITLES AND REGISTRATION DIVISION

82657100

VEHICLE IDENTIFICATION NUMBER
1FTRF12217KD41884

YEAR MODEL
2007

MAKE OF VEHICLE
FORD

BODY STYLE
PK

TITLE/DOCUMENT NUMBER

DATE TITLE ISSUED

10825339392120457 11/19/2007

MODEL

MFG. CAPACITY
IN TONS

WEIGHT

LICENSE NUMBER

150

1/2

4600

1033724

PREVIOUS OWNER

PHILPOTT MOTORS LTD PHIL PORT NECHES T

ODOMETER READING

16

OWNER

REMARK(S)

CITY OF MERCEDES
400 SOUTH OHIO STREET
MERCEDES, TX 78570

ACTUAL MILEAGE
EXEMPT

X

SIGNATURE OF OWNER OR AGENT MUST BE IN INK

UNLESS OTHERWISE AUTHORIZED BY LAW, IT IS A VIOLATION OF STATE LAW TO SIGN THE NAME OF ANOTHER PERSON ON A CERTIFICATE OF TITLE OR OTHERWISE GIVE FALSE INFORMATION ON A CERTIFICATE OF TITLE.

Property of
CITY OF MERCEDES



4550

DATE OF LIEN

1ST LIENHOLDER

NONE

1ST LIEN RELEASED

DATE

BY

AUTHORIZED AGENT

DATE OF LIEN

2ND LIENHOLDER

2ND LIEN RELEASED

DATE

BY

AUTHORIZED AGENT

DATE OF LIEN

3RD LIENHOLDER

3RD LIEN RELEASED

DATE

BY

AUTHORIZED AGENT

IT IS HEREBY CERTIFIED THAT THE PERSON HEREIN NAMED IS THE OWNER OF THE VEHICLE DESCRIBED ABOVE WHICH IS SUBJECT TO THE ABOVE LIENS.

RIGHTS OF SURVIVORSHIP AGREEMENT
WE, THE PERSONS WHOSE SIGNATURES APPEAR HEREIN, HEREBY AGREE THAT THE OWNERSHIP OF THE VEHICLE DESCRIBED ON THIS CERTIFICATE OF TITLE SHALL FROM THIS DAY FORWARD BE HELD JOINTLY, AND IN THE EVENT OF DEATH OF ANY OF THE PERSONS NAMED IN THE AGREEMENT, THE OWNERSHIP OF THE VEHICLE SHALL VEST IN THE SURVIVOR(S).

SIGNATURE

DATE

SIGNATURE

DATE

SIGNATURE

DATE

Philbott Motors

Government & Commercial Sales

INVOICE# 208975

1400 U.S. HIGHWAY 69 • NEDERLAND, TX 77627
TOLL FREE: 1-888-973-5338

DEAL # 208975
SALESMAN MILEY, MICHAEL

SOLD TO: CITY OF MERCEDES
ADDRESS 316 SOUTH OHIO STREET
MERCEDES TX 78570

DATE 10/31/2007

MAKE	MODEL	NEW OR USED	SERIAL NO. (VIN NO.)	PRICE OF VEHICLE OPTIONAL EQUIP. & ACCESS.
FORD	F150	F	1HTRF12217KD41884	14979.00
P.O. # <u>99-12950</u> REQ. # <u>AC CC07-X01503</u>				ESP WARR. 600.00
HSA/C				

VEHICLE INVOICE

SALES TAX	N/A
LICENSE AND TITLE	N/A
TOTAL CASH PRICE	15579.00
FINANCING	N/A
INSURANCE	N/A
TOTAL TIME PRICE	N/A
SETTLEMENT:	N/A
DEPOSIT	N/A
CASH ON DELIVERY	N/A
TRADE-IN	N/A
PAY-OFF	N/A
PAY-OFF TO	N/A
MPA	
SER. NO.	
PAYMENTS	
TOTAL	15579.00

Memo

To: Mayor and City Commission
From: Melissa Ramirez, Executive Director
CC: File
Date: 8/25/2025
Re: FY25-26 Budget

This is a working budget for next year.

Significant adjustments from last year:

- The outlet mall payment is reflective of the increase in sales tax revenue.
- The projects line item identifies unobligated funds.
- The DCM will be funding more marketing projects.
- The DCM will continue its City wide maintenance program.
- The DCM will continue to fund the signage grant program.
- The DCM will finish paying off the RGV Outlet.
- The DCM will finish paying off the VTX Bond and the Series 2007 Bond.

Recommendation: Approve

DEVELOPMENT CORPORATION OF MERCEDES
DRAFT BUDGET FY25-26

SOURCES OF CASH		FY 25-26 DRAFT BUDGET	
TAXES			
25-40040	SALES TAX	\$	2,314,440.29
TOTAL TAXES		\$	2,314,440.29
MISCELLANEOUS			
25-44020	INTEREST- TXCLASS	\$	2,000.00
25-44026	INTEREST-L&G CONCRETE		
25-44027	INTEREST-MD INT'L (ORBIT)		
25-44041	LOAN PRINCIPAL PAYMENTS		
25-44097	CARRY OVER FUNDS	\$	260,665.39
	TXCLASS	\$	189,873.20
	INTEREST- ELIAS GONZALEZ		
	REAL ESTATE SALES		
	OTHER INCOME- CITY REIMBURSEMENTS		
	OTHER INCOME- CITY PMT MKTG	\$	-
	OTHER INCOME- CITY PMT VTX	\$	93,749.00
TOTAL MISCELLANEOUS		\$	546,287.59
TOTAL REVENUE		\$	2,860,727.88

DEVELOPMENT CORPORATION OF MERCEDES
DRAFT BUDGET FY 25-26

USES OF CASH		FY 25-26 BUDGET
PERSONNEL COSTS		
25-510-1010	SALARIES	\$ 226,800.00
25-510-1015	AUTOMOBILE ALLOWANCE	
25-510-1100	TMRS CONTRIBUTION	\$ 42,000.00
25-510-1120	SOCIAL SECURITY	\$ 14,300.00
25-510-1140	UNEMPLOYMENT COMP	\$ 2,200.00
25-510-1160	HEALTH/LIFE INSURANCE	\$ 21,460.00
	VISION \$432	
	DENTAL \$184.32	
25-510-1180	WORKER'S COMP	\$ 430.00
25-510-xxxx	CELL PHONE ALLOWANCE	\$ 600.00
TOTAL PERSONEL COSTS		\$ 307,790.00
OTHER SERVICES & CHARGES		
25-510-2020	Audit	\$ 8,000.00
25-510-2012	Automobile Mileage	\$ 2,000.00
25-510-2014	Billboards	
25-510-2134	Bld Lease	\$ 24,000.00
25-510-2340	Chamber	\$ 53,500.00
	Texas Street Festival \$15,000	
	Dues \$5,000	
	Annual Banquet \$2,000	
	Little Nashville \$30,000	
	Mixers \$1500	
25-510-2011	Contract Labor- Writer	\$ 6,000.00
25-510-XXXX	Civic Serve	\$ 12,000.00
25-510-2102	Crime Insurance	\$ 700.00
25-510-2036	Downtown Development	\$ 70,000.00
25-510-2165	Electricity	\$ 4,700.00
25-510-2142	Janitorial	\$ 13,200.00
25-510-2125	Legal	\$ 45,000.00
25-510-2021	Loan Fees- EDC	\$ 825.00
25-510-xxxx	Leadership Empowerment Group	\$ 12,000.00
25-510-xxxx	Real Estate Closing Costs	
25-510-2010	Marketing & Promotion	\$ 48,750.00
	GeoTours \$3750	

	Social Media	\$5000		
	Loopnet	\$2000		
	GeoFence	\$5000		
	Merchant Campaign	\$6000		
	Murals	\$15,000		
	Influencers	\$10,000		
	Simple Text	\$600		
	Marketing Collateral	\$1,400		
25-510-2095	Meetings		\$	2,600.00
25-510-2130	Membership/Subs		\$	2,000.00
25-510-2133	Miscellaneous		\$	1,500.00
25-510-2080	Office Equipment- Lease		\$	4,500.00
25-510-xxxx	Outlet Mall Oct 2018-Oct 2028		\$	280,000.00
25-510-2320	Professional Fees- Accounting		\$	21,000.00
25-510-xxxx	Project Orchard Grove Apartments		\$	-
25-510-xxxx	Project RGV Livestock Show Park		\$	25,000.00
25-510-2362	Project Rios of Mercedes		\$	51,400.00
25-510-2365	Project VIDA		\$	15,000.00
25-510-xxxx	Project Travel Center		\$	100,000.00
25-510-2335	Projects		\$	1,195,136.38
25-510-2144	Receptionist		\$	33,000.00
	Receptionist	\$12,000		
	Health	\$2,000		
25-510-2355	Series 2007- Interest		\$	34,807.50
25-510-2356	Series 2007- Principle		\$	225,000.00
25-510-2310	Sponsorships		\$	27,850.00
	Aurora House March	\$1,100		
	Aurora House Gala	\$2,000		
	Smokin' on the Rio	\$12,500		
	RGV Livestock Show	\$7,000		
	Newspapers in Schools	\$250		
	Birding Classic	\$0		
	RGVLS Fall Fest	\$2,000		
	RGVLS Gala	\$3,000		
25-510-2025	Telephones		\$	5,400.00
25-510-2150	Travel & Training		\$	52,540.00
	ICSC Texas	\$15,000		
	ICSC Las Vegas	\$19,000		
	Retail Live!	\$8,540		
	Other	\$10,000		
25-510-xxxx	VTX Note		\$	93,749.00
25-510-2160	Water Bill		\$	2,000.00
25-510-2131	Website		\$	7,980.00
TOTAL OTHER SERVICES & CHARGES			\$	<u>2,481,137.88</u>

MAINTENANCE			
25-510-2520	OFFICE EQUIPMENT		\$ 10,000.00
25-510-2540	MAINTENANCE		<u>\$ 57,200.00</u>
TOTAL MAINTENANCE			<u>\$ 67,200.00</u>
25-510-3050	OFFICE SUPPLIES		\$ 3,000.00
	Adobe Creative Cloud	\$419.88	
TOTAL SUPPLIES			<u>\$ 3,000.00</u>
CAPITAL OUTLAY			
25-510-4005	FURNITURE & FIXTURES		\$ 1,600.00
TOTAL CAPITAL OUTLAY			<u>\$ 1,600.00</u>
TOTAL 10-DEVELOPMENT CORP. OF MERC			
TOTAL EXPENDITURES			<u><u>\$ 2,860,727.88</u></u>

Salaries

FY25-26

<u>Employee</u>	<u>Position</u>	<u>Base Pay</u>	<u>Cost of Living</u>	<u>Education</u>	<u>Longevity</u>	<u>Adj Base Pay</u>
100% Melissa Ramirez	Executive Director	25-510-1010 \$ 112,000.00		\$3,000.00	\$1,400.00 \$	116,400.00
100% Zefra Mascorro	Administrative Assistant	25-510-1010 \$ 42,800.00		\$2,000.00	\$200.00 \$	45,000.00
100% Mario Salinas	Marketing Coordinator	25-510-1010 \$ 64,200.00			\$200.00 \$	64,400.00
Dept. Total		\$ 219,000.00			\$	225,800.00

FY25-26 Mercedes Marketing Plan

2.0	Marketing					25-26
ID	Project	Organization	Creative	Location	Time	Cost
2.1	Publications					
2.1.1	Valley Business Report	City	Tourism	Regional	Annual	\$ 5,925
						\$ 5,100
2.2	Tradeshows					
2.2.1	ICSC Texas	EDC	Mix Use Development	San Antonio	November	\$ 15,000
2.2.2	ICSC Recon	EDC	Mix Use Development	Las Vegas	May	\$ 19,000
2.2.3	Retail Live!	EDC	Mix Use Development	Austin		\$ 8,540
						\$ 42,540
2.3	Online					
2.3.1	mercedsedc.com	EDC	Organization	Mercedes	Annual	\$ 7,980
2.3.2	mercedeschamber.com	Chamber	Organization	Mercedes	Annual	\$ 4,000
2.3.3	cityofmercedes.com	City	Organization	Mercedes	Annual	\$ -
2.3.4	facebook.com	Chamber/EDC	Social	Mercedes	Annual	\$ -
2.3.5	Loopnet/CoStar	EDC	Mix Use Development	Mercedes	Annual	\$ 2,000
						\$ 13,980
2.4	Collateral					
2.4.1	Market Profile	EDC	Mix Use Development	Mercedes	Annual	\$ -
						\$ -
2.5	Billboards					
2.5.1	Benchmark	EDC	Tourism	Mercedes	Annual	\$ -
2.5.2	Shared Billboard Chamber/DCM	Chamber/EDC	Tourism	Mercedes	Annual	\$ -
2.5.3	Chamber	Chamber	Tourism	Mercedes	Annual	\$ -
2.5.4	Lone Star Logos	City	Tourism	Mercedes	Annual	\$ 12,825
						\$ 12,825
2.6	Sponsorships					
2.6.1	Valley Morning Star	EDC	Tourism	Mercedes	October	\$ 250
2.6.2	Smokin on the Rio	EDC	Tourism	Mercedes	February	\$ 12,500
	Smokin on the Rio	City	Tourism	Mercedes	February	\$ 12,500
2.6.3	RGV Livestock Show	EDC	Tourism	Mercedes	March	\$ 7,000
	RGV Livestock Show	City	Tourism	Mercedes	March	\$ -
2.6.4	RGV Livestock Show GALA	EDC		Mercedes	December	\$ 3,000
2.6.5	RGV Livestock Show Fall Fest	EDC	Tourism	Mercedes	October	\$ 2,000
2.6.6	RGV Livestock Show Music Fest	EDC	Tourism	Mercedes	July	\$ -
2.6.7	Aura House	EDC	Tourism	Mercedes	December	\$ 2,000
2.6.8	Aura House	EDC	Tourism	Mercedes	April	\$ 1,100
						\$ 40,350
2.7	Memberships					
2.7.1	Chamber	EDC	Tourism/Mixed Use Development	Mercedes		\$ 5,000
2.7.2	Chamber	City	Tourism/Mixed Use Development	Mercedes		\$ 6,000
						\$ 11,000
2.8	Television/Radio					
2.8.1	Merchant Campaign	City	Tourism/Investment	Regional	Annually	\$ -
	Merchant Campaign	EDC	Tourism/Investment	Regional	Annually	\$ 6,000
2.8.2	Spectrum	City	Tourism/Investment	International	Annually	\$ 24,000
2.8.3	Advertising in Mexico	City	Tourism/Investment	International	Annually	\$ 13,000
						\$ 43,000
2.9	Chamber					
2.9.1	Texas Street Festival	City	Tourism	International		\$ 60,000
	Texas Street Festival	EDC	Tourism	International		\$ 15,000
2.9.2	Little Nashville	EDC	Tourism	Regional		\$ 30,000

2.9.3	Marketing Collateral	City	Tourism	International		\$ 5,000
2.9.4	Annual Banquet	City		Regional		\$ 2,000
	Annual Banquet	EDC				\$ 2,000
2.9.5	Christmas Parade	City	Tourism	Regional		\$ 4,000
2.9.6	Winter Texas Reception	City	Tourism	National		\$ 3,000
2.9.7	Mercedes Leadership	City	Tourism	International		\$ 1,000
2.9.8	Movies in the Park	City	Tourism	Mercedes		\$ 4,000
2.9.9	Mixers	EDC	Development	Regional		\$ 1,500
						<u>\$ 127,500</u>
3.0	Direct Marketing					
3.1.1	GeoTours	EDC	Tourism	International	Annually	\$ 3,750
3.1.2	GeoFencing	EDC	Tourism	International		\$ 5,000
3.1.3	Direct Text	EDC	Tourism/Investment	Regional		\$ 600
						<u>\$ 9,350</u>
4.0	Social Media					
4.1.1	Writer	EDC	Tourism/Investment	Regional	Annually	\$ 6,000
4.1.2	Business Commercials	EDC	Tourism/Investment	International	Annually	\$ -
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
4.1.5	Influencers	EDC	Tourism/Investment	International	Annually	\$ 10,000
						<u>\$ 26,000</u>
5.0	Other					
5.1.1	Murals	EDC	Tourism	International		\$ 15,000
						<u>\$ 15,000</u>
				TOTAL		\$ 346,645
				CITY		\$ 158,250
				DCM		\$ 189,220

2025 Governing Body Summary #1A*

Benchmark 2025 Tax Rates

City of Mercedes

Date: 08/15/2025 08:28 AM

DESCRIPTION OF TAX RATE	TAX RATE PER \$100	THIS YEAR'S TAX LEVY**	ADDITIONAL TAX LEVY
No-New-Revenue Tax Rate	\$0.7388	\$6,998,524	
One Percent \$100 Tax Increase***	\$0.7462	\$7,068,623	\$70,099
One Cent per \$100 Tax Increase***	\$0.748800	\$7,093,253	\$94,729
De Minimis Rate	\$0.8326	\$7,887,076	\$888,552
VAR NOT adjusted for Unused Increment Rate	\$0.7994	\$7,572,578	\$574,054
VAR adjusted for Unused Increment Rate	\$0.8665	\$8,208,204	\$1,209,680
Last Year's Tax Rate	\$0.7850	\$7,436,169	\$437,645
Proposed Tax Rate	\$0.0000	\$0	\$-6,998,524

*These figures are provided as estimates of possible outcomes resulting from varying the tax rate. Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

**Tax levies are calculated using line 22 of the No-New-Revenue Tax Rate Worksheet and this year's frozen tax levy on homesteads of the elderly or disabled.

***Tax increase compared to no-new-revenue tax rate.

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE COUNTY OF HIDALGO, TEXAS, AND THE CITY OF
MERCEDDES, TEXAS**

THIS Agreement is made on and entered into effective as of the _____ day of _____, 2025, by and between **COUNTY OF HIDALGO, TEXAS**, by and through its Precinct __, hereinafter referred to as ("County"), and **CITY OF MERCEDDES, TEXAS** hereinafter referred to as ("City"), collectively referred to as "Parties" and pursuant to the provisions of the Texas Interlocal Cooperation Act ("Act"), Chapter 791, et seq., Texas Government Code, as follows:

I. WITNESSETH:

WHEREAS, the City is a municipality defined as a "Local Government" under the Act, and a political subdivision organized under the laws of the State of Texas, within the boundary of Hidalgo County; and

WHEREAS, the County is defined as a "Local Government" under the Act, a political subdivision organized under the laws of the State of Texas; and

WHEREAS, City and County desires to assist each other in multiple projects to be defined by mutual agreement in which both the City and the County would benefit from the outcome of the work (the "Work") by decreasing the cost of services and increasing the quality of life for both the citizens of the County and the City; and

WHEREAS, County and City believe that this agreement serves a public purpose and the constituents of each will benefit from the mutual use and development of the multiple projects to be defined by mutual agreement herein contemplated; and

WHEREAS, an interlocal agreement may be entered into by any local government which includes a political subdivision, and which is defined in Section 791.003(4) of the Local Government Code;

NOW, THEREFORE, and in consideration of premises and the mutual covenants and agreements expressed hereinafter, County and City agree as follows:

II. CONSIDERATIONS

A. Mutual Agreements:

1. County agrees to provide the City the use of equipment and materials owned by the County at the current prices to the County for such equipment and materials for the furtherance of the Work. Prior to the County providing the City such equipment or

materials, the City shall request and receive a statement of the County's current hourly rates for use of equipment and materials. The County shall be solely responsible for determining the current rate for its equipment and the City agrees to reimburse the County for such costs within thirty (30) days of receipt of invoice from the County. Any request for use by the City for County equipment and materials shall be subject to the approval of Commissioner of Precinct ___ determining that such equipment and materials are not required for projects of the Precinct at the times requested by the City.

2. County shall provide the City with manpower at the current hourly rates for County employees required to operate and/or complete the Work. Prior to the City utilizing County manpower, the City shall request and receive the current hourly rates of County employees, required to complete the Work. Hourly rates shall include all benefits and other costs associated with the employment of each individual. The County shall be solely responsible for determining the current rate for its employees and the City agrees to reimburse County such costs within thirty (30) days of receipt of invoice from the County. Any request for use by the City of County employees shall be subject to the approval by the Commissioner of Precinct ___ determining that the County employees so requested by the City are not required for projects of the Precinct at the times requested by the City.
3. Upon a change in price for the use of County employees, equipment, or materials, by the City, the County shall notify the City within ten (10) working days for any on-going Work and before beginning any new Work.
4. City agrees to provide the County the use of equipment and materials owned by the City at the current prices to the City for such equipment and materials for the furtherance of the Work. Prior to the City providing the County such equipment or materials, the County shall request and receive a statement of the City's current hourly rates for the use of equipment and materials. The City shall be solely responsible for determining the current rate for its equipment and the County agrees to reimburse the City for such costs within thirty (30) days of receipt of invoice from the City. Any request for use by the County of City equipment and materials shall be subject to the approval of the City Manager determining that such equipment and materials are not required by the City for the times requested by the County.
5. City shall provide the County with manpower at the current hourly rates for City employees required to operate any such equipment and/or to complete the Work. Prior to the County utilizing the City manpower, the County shall request and receive the current hourly rates of City employees required to complete the work. Hourly rates shall include all benefits and other costs associated with the employment of each individual. The City shall be solely responsible for determining the current rate of its employees and the County agrees to reimburse the City such costs within thirty (30) days of receipt of invoice from the City. Any request for use by the County of City employees shall be subject to the approval by

the City Manager determining that the City employees so requested by the County are not required for projects of the City at the times requested by County.

6. Upon a change in price for the use of the City employees, equipment, or materials, by the County, the City shall notify the County within ten (10) working days for any on-going Work and before beginning any new Work.
7. All other costs associated with the Work shall be the responsibility of the respective party requesting assistance from the other party in its entirety.

B. Term

8. The term of this Agreement shall be for one (1) year commencing on May 26, 2025 and Expiring on May 26, 2026. The term of this Agreement may be extended at the County's sole discretion for three (3) additional one (1) year terms under the same terms and conditions described herein.

C. Termination

9. Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to each other.

D. Liability Insurance

10. Each entity will carry sufficient liability insurance at the statutorily required limits, pursuant to the Texas Tort Claims Act.

E. Fixtures-Special Condition

11. Upon the completion of any project, as defined by mutual agreement, by either the City or the County, any movable equipment or appurtenances will be removed and taken by the entity providing the same within a reasonable time. If the equipment and appurtenances are not movable, then in such event and by written mutual agreement, said equipment and appurtenances will become the sole property of the entity who requested the assistance.

F. Miscellaneous Terms & Conditions

12. **Prior Agreements.** This Agreement replaces and supersedes any and all prior Mutual Aid Agreements between County and City.
13. **Indemnification.** To the extent permitted under the Constitution and laws of the State of Texas, the City agrees to indemnify and hold harmless and defend County, its agents, employees and officers from and against any claim, loss, damage, liability and expense, including reasonable attorney's fees, incurred

or suffered by it, by reason of any and all claims, demands or causes of action asserted or that may be asserted, against any or all of the above named parties, whether alleging intentional or negligent acts or omissions, and whether seeking compensatory or punitive damages, and involving, arising out of, or in any manner related to this agreement.

14. **Immunities.** It is expressly understood and agreed that, in the execution of this agreement, neither the City nor County waive, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercising of governmental powers and functions.
15. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the later shall prevail, but in such event the affected provision or provision of this Agreement shall be modified only to the extent to bring them within the legal requirements and only during the times such conflict exists.
16. **No Waiver.** No waiver by any party hereto of any breach of any provisions of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.
17. **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by County and City and not otherwise.
18. **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligation of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.
19. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other

addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to City: City of Mercedes, Texas
Attention: Mayor
Oscar Montoya
Mercedes, Texas 78570

With copy to: Attention: City Manager
Alberto Perez
Mercedes, Texas 78570

If to County: County of Hidalgo
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

With copy to: Hidalgo County Precinct 1
Attention: Commissioner, Precinct 1
David L Fuentes
Weslaco, Texas 78599

Each notice, demand, request or communication, which shall be delivered or mailed in the manner described above, shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

20. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.
21. **Successors.** This Agreement shall be binding upon and to the benefit of the parties hereto and their respective successors and assigns where permitted by this Agreement.
22. **Assignments.** This Assignment shall not be assignable.
23. **Headings.** The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of any paragraph hereof.
24. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and so often as may be appropriate.

25. **Non-Discrimination.** The Agreement and all related activities shall be conducted in a manner that does not discriminate against any person on a basis prohibited by applicable law or County and City policy, including without limitation race, color, national origin, religion, sex, age, veteran status, disability or any other category protected under law.
26. **Governmental Purpose.** Each party hereto is entering into this Agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.
27. **Commitment of Current Revenues Only.** In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon (90) days' written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903
28. **Governing Provisions.** Parties shall comply with all applicable laws and regulations. A non-exclusive list of regulations commonly applicable to Federal and State grants and equipment can be found in the new 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements.
29. **Legal Construction/Severability.** In case any one or more of the provisions contained in this Agreement will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision thereof, and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
30. **Authority to Execute.** The execution and performance of this Agreement by the Parties has been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of the Parties in accordance with its terms.

[SIGNATURE PAGE TO FOLLOW]

WITNESS THE HANDS OF THE PARTIES effective as of the day and year discussed in Section Eight (8) written above.

APPROVED BY COMMISSIONERS' COURT ON _____, **2025.**

Agenda Item No. _____

Executive Office: _____

CITY OF MERCEDES

HIDALGO COUNTY

Oscar Montoya, Mayor

Hon. Richard F. Cortez, County Judge

ATTEST:

ATTEST:

_____, City Secretary

Arturo Guajardo, Jr., County Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of the Hidalgo County
Criminal District Attorney,
Toribio "Terry" Palacios

By: _____

ADA Name, Assistant District Attorney

ATTACHMENTS:
(If Applicable)

SUPPLEMENTAL SIGNATURES:
(If Applicable)



city of

mercedes

It Starts Here!

Planning Department

400 S Ohio Ave

Mercedes, TX 78570

(956) 565-3114

Voluntary Annexation Petition

CASE #

To the Mayor and City Commission:

Salvador Roel Garcia and Jeffrey Adam Bryant are the sole owners of the tract of land, which is more particularly described by metes and bounds in Exhibit A to this petition, hereby petitions the City Commission of the City of Mercedes to annex the following area(s):

Being a 10.11-acre tract of land out of Lot Two (2), Block Forty (40), CAPISALLO DISTRICT SUBDIVISION, Hidalgo County, Texas as per map or plat thereof recorded in Volume "P", Page 227, Deed Records, Hidalgo County, Texas

Please view the attached survey and metes and bounds

Salvador Roel Garcia & Jeffrey Adam Bryant

Owner's Name (Print)



Owner (Signature)

June 30, 2025

Date

STATE OF TEXAS

COUNTY OF HIDALGO

Before me, the undersigned authority, a Notary Public in and for Hidalgo County, Texas, on this day personally appeared Salvador Roel Garcia & Jeffrey Adam Bryant, whom stated upon his oath the following;

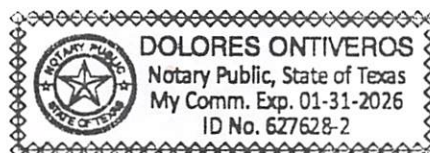
Our names are Salvador Roel Garcia & Jeffrey Adam Bryant, and we are the owners of the land or representative of the majority of the landowners. There are no residents nor are there any qualified voters in the area to be annexed.

We, Salvador Roel Garcia & Jeffrey Adam Bryant, hereby certify under penalty of perjury that to the best of my knowledge and belief, the property mentioned above currently does not owe any property taxes to the relevant tax authority.

Further affiant sayeth not.

SWORN TO and subscribed before me on this the 2nd day of July, 2025.


Notary Public in and for the State of Texas



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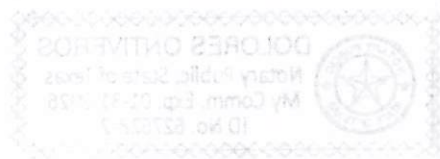
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GUZMAN & MUÑOZ
ENGINEERING AND SURVEYING, INC.

2020 East Expressway 83
Mercedes, Texas 78570

PHONE: (956) 565-4637
FAX: (956) 565-4636

METES & BOUNDS DESCRIPTION
Lot 2, Block 40, Capiasallo District Subdivision
Hidalgo County, Texas

Being a 10.11 Acre (10.00 Acre Net) Tract of Land out of Lot 2, Block Forty (40), Capiasallo District Subdivision, Hidalgo County, Texas as recorded in Volume P, Page 227, Capiasallo District Subdivision, Map Records of Hidalgo County, Texas, said 10.11 Acre tract deeded to Roel Garcia and Jeffrey Adam Bryant as recorded in Document No. 2022-000342, Official Records of Hidalgo County, Texas, said 10.11 Acre tract being more particularly described as follows:

COMMENCING at a cotton picker spindle found at the intersection of the centerline of Mile 6 N Road and Mile 1 1/2 E Road, said intersection being the Northwest corner of said Lot 2, Block 40, Capiasallo District Subdivision, THENCE, along the North line of Lot 2, Block 47, same being the centerline of Mile 6 N Road, a distance of 347.68 feet to a magnetic nail found for the Northwest corner of said 10.11 Acre (Gross Acreage) tract and the POINT OF BEGINNING of the herein described tract;

THENCE, N 88° 43' 04" E, along the North line of said Lot 2, same being the centerline of Mile 6 N Road, a distance of 229.08 feet, to a cotton picker spindle found that marks the most Northerly Northeast corner of the herein described tract;

THENCE, S 01° 16' 56" E, at a distance of 20.0 feet, pass a 1/2 inch iron rod found that marks the South ROW of Mile 6 N Road and the Northeast corner of said 10.11 Acre lot, continuing for a total distance of 217.60 feet to a 1/2 inch iron rod found for an interior corner of the herein described tract;

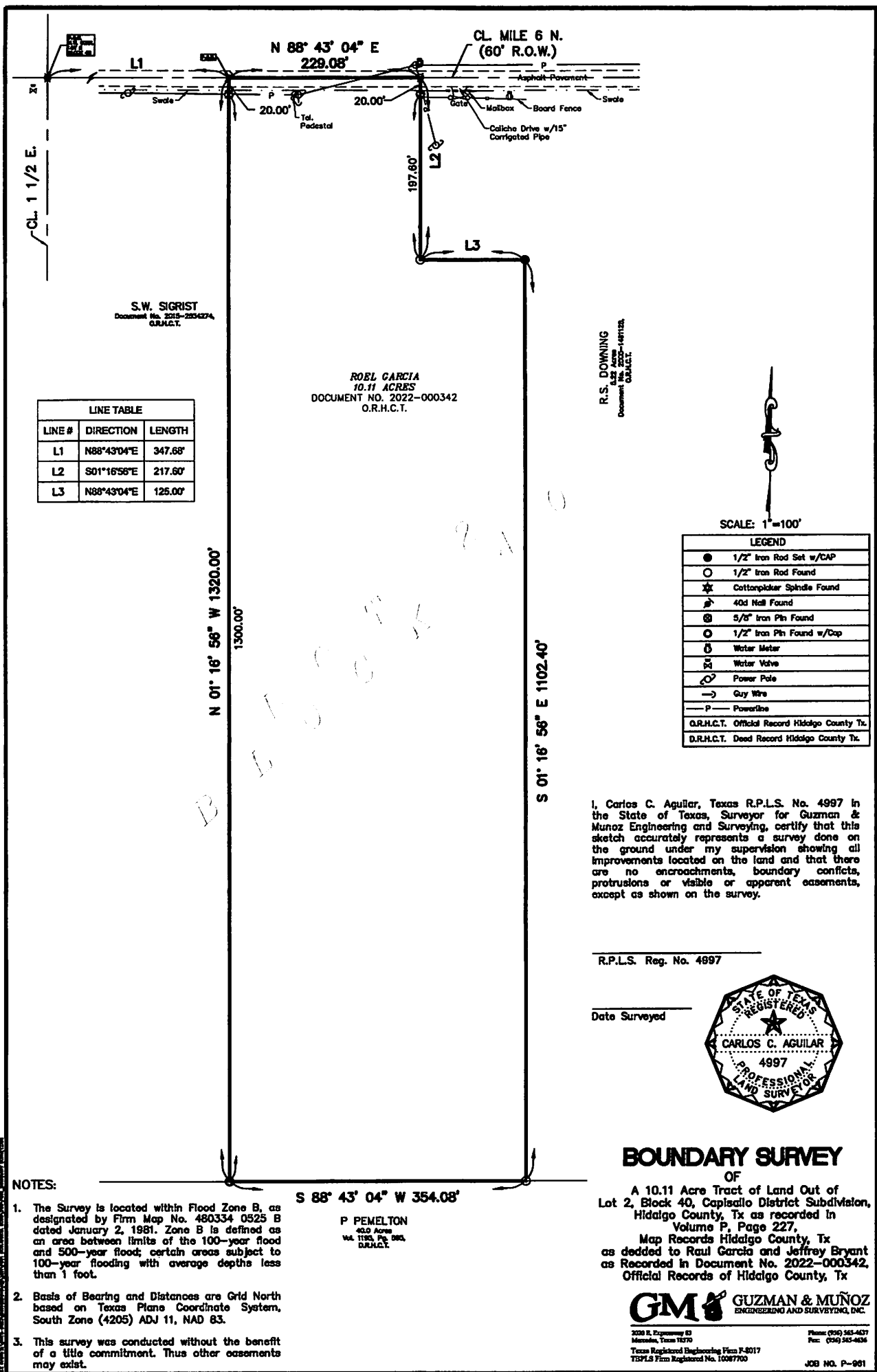
THENCE, N 88° 43' 04" E, a distance of 125.00 feet to a 1/2 inch iron rod with cap marked "GMES 10087700" set for the most Easterly Northeast corner of the herein described tract;

THENCE, S 01° 16' 56" E, a distance of 1102.40 feet to a 1/2 inch iron rod found on the South line of said Lot 2 for the Southeast corner of the herein described tract;

THENCE, S 88° 43' 04" W, along the South line of said lot 2 a distance of 354.08 feet to a 1/2 inch iron rod found for the Southwest corner of the herein described tract;

THENCE, N 01° 16' 56" W, at a distance of 1300.00 feet pass a 5/8 inch iron rod found at the South ROW of Mile 6 N Road, continuing for a total distance of 1320.00 feet to the POINT OF BEGINNING and Containing 10.11 Acres (Gross Acreage) of land, more or less.

Basis of Bearings is Grid North, Texas State Plane Coordinate System, South Zone, (4205), NAD 83.





ORDINANCE NO 2025-26

AN ORDINANCE PROVIDING FOR THE VOLUNTARY ANNEXATION OF 10.11 ACRES, MORE OR LESS, OUT OF LOT 2, BLOCK 40, CAPISALLO DISTRICT SUBDIVISION, VOLUME "P", PAGE 227, HIDALGO COUNTY MAP RECORDS, AS REQUESTED BY SALVADOR ROEL GARCIA AND JEFF REY ADAM BRYANT, SAID PROPERTY LYING ADJACENT TO AND ADJOINING THE PRESENT BOUNDARY LIMITS OF THE CITY OF MERCEDS, TEXAS; AND PROVIDING FOR THE EXTENSION OF THE CITY'S BOUNDARIES AND EXTRA-TERRITORIAL JURISDICTION, THEREBY; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, on August 5, 2025, the City Council accepted a petition from City of Mercedes, for voluntary annexation of the above described property and adjoining roadways of said property, more particularly described herein in Exhibits "A" proposed to be annexed by the City of Mercedes; and

WHEREAS, the City of Mercedes seeks to annex the above described property, more particularly described herein in Exhibits "A"; and

WHEREAS, the property hereinafter described adjoins, lies adjacent to, or is within the extraterritorial jurisdiction of the City of Mercedes.

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

SECTION I: AUTHORITY OF LAW: All requirements of the law have been met in the passing of this Ordinance.

SECTION II: The land described in Exhibits "A", attached hereto and made a part hereof for all purposes, being territory adjacent to and adjoining the City of Mercedes, Texas, is hereby added and annexed to the City of Mercedes, Texas, and said property therein described shall be included within the boundary limits of such city, and the present boundary limits of such city, at the various points contiguous to the areas hereinafter described, are altered and amended so as to include said areas within the corporate limits.

SECTION III: The herein described property and the area to be annexed shall be a part of the City of Mercedes, Texas, and the property so added hereby shall bear its pro rata share of the taxes levied by the City of Mercedes, Texas. The inhabitants hereof shall be entitled to all of the rights and privileges of citizens of the City of Mercedes, Texas, in areas having similar characteristics of topography, land utilization and population density, and shall be bound by the acts, ordinances, resolutions, and regulations of the City of Mercedes, Texas.

SECTION IV: The extraterritorial jurisdiction of the City of Mercedes shall expand in conformity with this annexation and shall comprise an area around the new corporate limits of the City, consistent with state law.

SECTION V: Upon annexation of the herein described property, the acreage within the City limits of Mercedes will be increased by 10.11 acres, more or less, out of lot 2, block 40, Capisallo District

Subdivision, volume “P”, page 226, Hidalgo County Map Records, City of Mercedes, Texas, which does not exceed the statutory limitations as set out in Section 43.055, Tex. Local Gov't C. (Vernon 1988 and Vernon Supp. 1994).

SECTION VI: The requirement of three separate readings of this Ordinance is hereby dispensed with by a vote of not less than a majority of the members of the City Council present.

SECTION VII: Upon final passage, this Ordinance shall be published in the official newspaper of the City of Mercedes, Texas, as provided by law, and shall be and remain in full force and upon passage.

SECTION VIII: If any part, phrase or sentence of this Ordinance is held void or unconstitutional by a court of competent jurisdiction, or if any tract of land or portion of any tract of land hereby annexed shall be held to be ineligible for annexation or wrongfully annexed, the remaining portions of this Ordinance and the remaining tracts so annexed shall be considered severable and shall remain in full force and effect.

SECTION IX: In accomplishing the annexation of the property herein described the City of Mercedes has strictly followed the provisions of the Charter of the City of Mercedes, and the state statutes as they apply to annexations and any possible deviation from these provisions was unintentional and not material to the accomplishment of this annexation.

READ, CONSIDERED, PASSED AND APPROVED at a regular meeting of the City Commission of the City of Mercedes, Texas, at which a quorum was present and which was held in accordance with V.T.C.A., Government Code, Section 551.041, on the 2nd day of September, 2025.

1st Reading: September 2, 2025

2nd Reading: September 16, 2025

CITY OF MERCEDES

Oscar D. Montoya, Sr., Mayor

ATTEST:

APPROVED AS TO FORM:

Joselynn Castillo
City Secretary

Martie Garcia Vela
City Attorney



GUZMAN & MUÑOZ
ENGINEERING AND SURVEYING, INC.

2020 East Expressway 83
Mercedes, Texas 78570

PHONE: (956) 565-4637
FAX: (956) 565-4636

METES & BOUNDS DESCRIPTION
Lot 2, Block 40, Capisallo District Subdivision
Hidalgo County, Texas

Being a 10.11 Acre (10.00 Acre Net) Tract of Land out of Lot 2, Block Forty (40), Capisallo District Subdivision, Hidalgo County, Texas as recorded in Volume P, Page 227, Capisallo District Subdivision, Map Records of Hidalgo County, Texas, said 10.11 Acre tract deeded to Roel Garcia and Jeffrey Adam Bryant as recorded in Document No. 2022-000342, Official Records of Hidalgo County, Texas, said 10.11 Acre tract being more particularly described as follows:

COMMENCING at a cotton picker spindle found at the intersection of the centerline of Mile 6 N Road and Mile 1 1/2 E Road, said intersection being the Northwest corner of said Lot 2, Block 40, Capisallo District Subdivision, THENCE, along the North line of Lot 2, Block 47, same being the centerline of Mile 6 N Road, a distance of 347.68 feet to a magnetic nail found for the Northwest corner of said 10.11 Acre (Gross Acreage) tract and the POINT OF BEGINNING of the herein described tract;

THENCE, N 88° 43' 04" E, along the North line of said Lot 2, same being the centerline of Mile 6 N Road, a distance of 229.08 feet, to a cotton picker spindle found that marks the most Northerly Northeast corner of the herein described tract;

THENCE, S 01° 16' 56" E, at a distance of 20.0 feet, pass a 1/2 inch iron rod found that marks the South ROW of Mile 6 N Road and the Northeast corner of said 10.11 Acre lot, continuing for a total distance of 217.60 feet to a 1/2 inch iron rod found for an interior corner of the herein described tract;

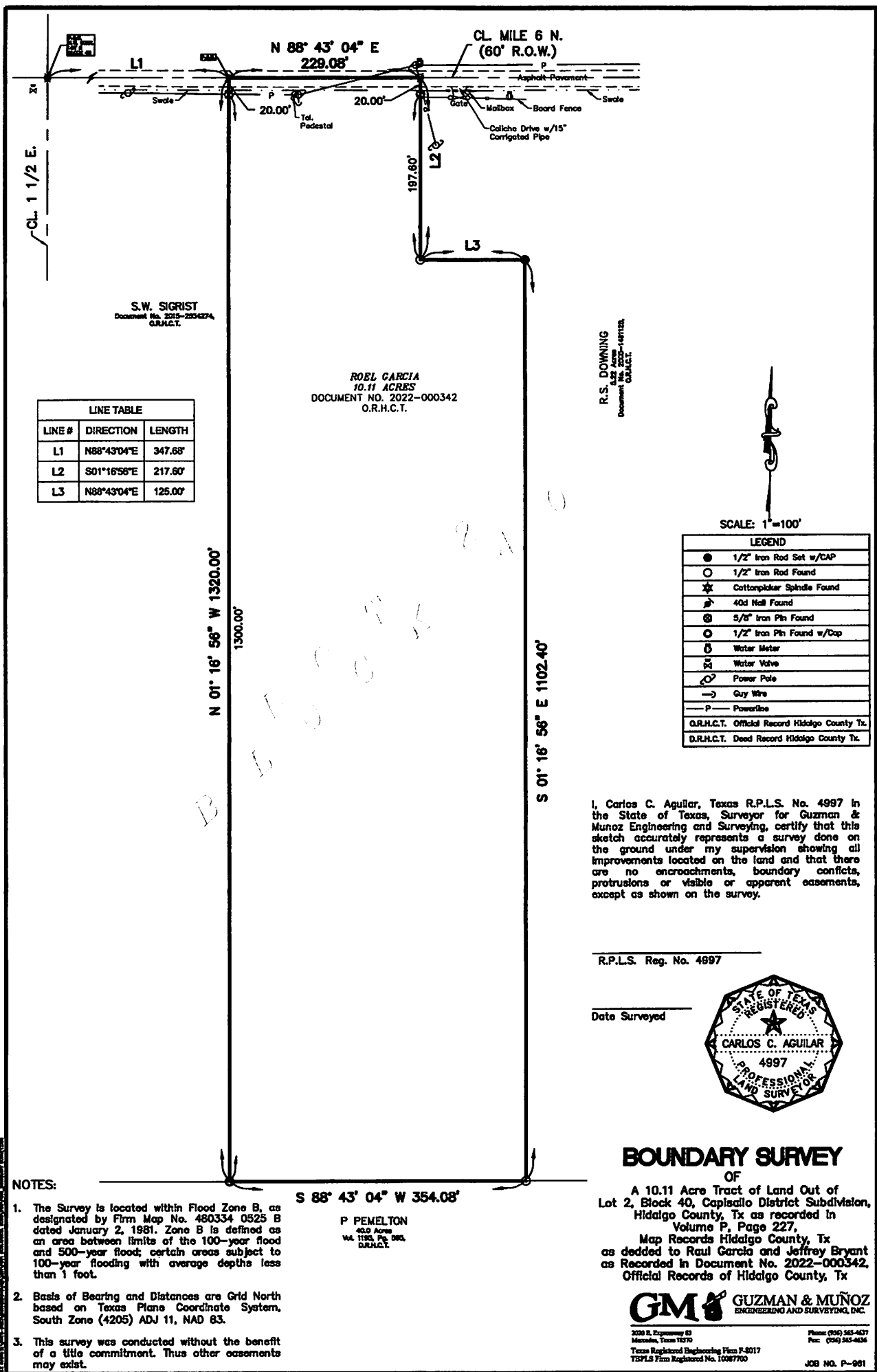
THENCE, N 88° 43' 04" E, a distance of 125.00 feet to a 1/2 inch iron rod with cap marked "GMES 10087700" set for the most Easterly Northeast corner of the herein described tract;

THENCE, S 01° 16' 56" E, a distance of 1102.40 feet to a 1/2 inch iron rod found on the South line of said Lot 2 for the Southeast corner of the herein described tract;

THENCE, S 88° 43' 04" W, along the South line of said lot 2 a distance of 354.08 feet to a 1/2 inch iron rod found for the Southwest corner of the herein described tract;

THENCE, N 01° 16' 56" W, at a distance of 1300.00 feet pass a 5/8 inch iron rod found at the South ROW of Mile 6 N Road, continuing for a total distance of 1320.00 feet to the POINT of BEGINNING and Containing 10.11 Acres (Gross Acreage) of land, more or less.

Basis of Bearings is Grid North, Texas State Plane Coordinate System, South Zone, (4205), NAD 83.



ORDINANCE NO. 2025-27

AN ORDINANCE ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on Friday, August 15, 2025, the City Manager of the City of Mercedes, Texas filed a proposed budget for the fiscal year beginning October 1, 2025 and ending September 30, 2026 with the City Secretary of said City; and

WHEREAS, as required, a public hearing was called and held on September 2, 2025 in reference to said budget;

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

That the proposed budget now on file at City Hall, 400 South Ohio Avenue, Mercedes, Texas be and is hereby approved and adopted as the actual budget for the fiscal year beginning October 1, 2025 and ending September 30, 2026, and that all ordinances or parts of ordinances in conflict herewith are hereby repealed and

That this Ordinance shall become and be effective in accordance with the City Charter of the City of Mercedes, Texas and the laws of the State of Texas.

PASSED, APPROVED, AND ADOPTED ON FIRST READING THIS THE 2ND DAY OF SEPTEMBER, 2025.

PASSED, APPROVED, AND ADOPTED ON SECOND READING THIS THE 16TH DAY OF SEPTEMBER, 2025.

Oscar D. Montoya Sr., Mayor

ATTEST:

APPROVED:

Joselynn Castillo, City Secretary

Martie Garcia-Vela, City Attorney

FY 25-26 PROPOSED BUDGET

AUGUST 15

City of Mercedes

Alberto Perez, City Manager



FY 2025-2026

PROPOSED BUDGET

Mayor

Oscar D, Montoya, Sr

City Commissioners

Dr. Ruben Hinojosa, Mayor Pro-Tem

Dr. Jacob Howell, Place 1

Armando Garcia, Place 2

Jose Martinez, Place 3

City Manager

Alberto Perez,

Staff

Meredith Hernandez, Interim Finance Director

Nellie Zamora, Accountant I

Jennifer Diaz, Accountant I



August 15, 2025

Honorable Mayor Montoya,
Members of the City Commission,



Re: Proposed Budget for FY 2025-2026

Over the past several years, the City has successfully navigated unprecedented challenges. Even in difficult times, we have demonstrated fiscal discipline and a commitment to sound management that kept the City financially stable when many communities struggled. That stability is the result of deliberate choices and a shared commitment to protecting the long-term interests of our residents.

The Proposed Budget for FY 2025-2026 builds on that foundation. It not only preserves our current service levels, but also begins the work of addressing the consequences of past underinvestment in facilities and infrastructure. For too long, the absence of a long-term capital strategy has delayed critical improvements, leaving us with significant unfunded needs. These investments are no longer discretionary, they are vital to sustaining operations, attracting and retaining a skilled workforce, and delivering the high-quality services our residents expect and deserve.

While the “Pay-As-You-Go” philosophy has served us well in certain areas, it has not been sufficient to meet the scale of today’s demands. If we continue along the same path, we risk falling further behind and jeopardizing the City’s ability to provide reliable services. By adopting sustainable funding mechanisms that balance our immediate needs with future obligations, we can make the strategic investments required to strengthen the City’s foundation for decades to come.

The FY 2025-2026 Proposed Budget is more than a financial plan—it is a strategic roadmap. It protects core services today while setting us on a path to long-term resilience, sustainability, and growth. With this budget, we are making a clear statement: our City is not only prepared to meet today’s challenges, but determined to build a stronger future for generations to come.

Sincerely,

Alberto Perez
City Manager



GENERAL FUND

Proposed Budget

**GENERAL FUND
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
REVENUE SUMMARY				
<u>TAXES</u>	10,664,379	12,642,897	11,641,529	12,566,928
<u>LICENSES AND PERMITS</u>	536,105	691,793	589,500	791,050
<u>FINES AND SERVICES</u>	2,781,397	2,531,637	2,477,950	2,781,750
<u>INTERGOVERNMENTAL</u>	30,575	20,676	17,500	17,500
<u>MISCELLANEOUS</u>	734,838	994,152	1,657,805	2,645,115
*** TOTAL REVENUES ***	14,747,294	16,881,155	16,384,284	18,802,343
EXPENDITURE SUMMARY				
<u>10-COMMISSION</u>	35,938	33,729	34,700	39,900
<u>12-EXECUTIVE ADMIN</u>	274,215	277,102	283,169	353,985
<u>13-HUMAN RESOURCES</u>	54,489	67,231	73,657	91,671
<u>14-CITY SECRETARY</u>	84,803	79,320	86,753	169,344
<u>16-MUNICIPAL COURT</u>	136,179	117,102	144,028	134,419
<u>18-FINANCE</u>	220,820	216,772	257,188	259,183
<u>19-INFORMATION TECHNOLOGY</u>	376,284	455,727	558,423	586,626
<u>20-PLANNING</u>	426,522	525,673	671,526	588,192
<u>22-POLICE</u>	2,941,983	2,804,830	3,444,521	3,547,829
<u>23-ANIMAL CONTROL</u>	65,124	71,198	98,831	99,920
<u>24-FIRE DEPT</u>	1,462,130	1,594,308	1,937,283	2,001,182
<u>26-PUBLIC WORKS ADMIN</u>	95,255	169,399	146,990	149,457
<u>28-STREETS</u>	571,025	646,136	713,506	948,281
<u>30-BUILDING MAINTENANCE</u>	292,876	368,228	283,183	481,097
<u>32-VEHICLE MAINTENANCE</u>	435,799	355,273	431,526	482,032
<u>34-PARKS & RECREATION</u>	462,611	407,837	478,209	546,119
<u>35-RECREATION CENTER</u>	74,874	62,255	77,478	74,433
<u>36-LIBRARY</u>	532,252	487,704	559,254	609,909
<u>38-SANITATION</u>	1,733,835	1,758,577	1,609,723	1,911,342
<u>39-DOME SHELTER</u>	226,297	256,359	324,136	350,351
<u>40-NON-DEPARMENTAL</u>	3,082,446	4,020,503	4,170,200	5,377,068
*** TOTAL EXPENDITURES ***	13,585,757	14,775,264	16,384,284	18,802,343
** REVENUES OVER(UNDER) EXPENDITURES **	1,161,537	2,105,891	0	(0)

**REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
TAXES					
01-40010	Taxes-Current Advalorem Prop.	3,382,815	4,218,373	4,968,049	5,166,770.96
01-40025	Taxes-Delinquent Property	70,759	147,690	139,050	146,002.50
01-40030	Taxes-Penalties & Interest	84,003	119,480	92,700	97,335.00
01-40035	Taxes-Cert & Attorney Fees	41,705	60,543	36,050	37,852.50
01-40040	Taxes-General Sales	4,213,890	5,027,354	3,794,120	4,249,414.40
01-40060	Taxes-Gen Sales	2,106,945	2,335,521	1,897,060	2,124,707.20
01-40070	Taxes-Franchise Fees	730,045	701,082	680,000	714,000.00
01-40071	Taxes-Peg Fees	15,587	12,910	13,000	13,520.00
01-40080	Taxes-Mixed Beverages	18,629	19,942	16,500	17,325.00
01-40100	Taxes-Bingo	-	-	5,000	-
** TOTAL TAXES **		10,664,379	12,642,897	11,641,529	12,566,928

LICENSES AND PERMITS

01-41100	Building Permits	278,790	244,178	250,000	300,000
01-41150	Demolition Permits	4,200	2,850	1,500	2,000
01-41200	Dog License & Dog Pound Fees	690	660	1,000	1,000
01-41300	Electrical Permits	47,444	57,076	50,000	140,000
01-41400	Health Permits	0	7425		6,450
01-41401	Ambulance Permits	0	0		-
01-41500	Mechanical Permits	23,113	17,271	20,000	36,000
01-41600	Moving Permits		-		-
01-41700	Occupational License	6,225	1,775	5,000	13,000
01-41900	Other Permits	38,313	30,651	35,000	35,000
01-41925	Peddlers Permit	0	0		-
01-41950	Plumbing Permits	52,214	43,256	45,000	70,000
01-41960	Rezoning Permit Fees	1,850	1,500	1,000	1,100
01-41970	Subdivision Permit Fees	50,116	126,722	50,000	45,000
01-41971	Material Testing Fees	31,951	158,116	130,000	140,000
01-41980	Variance Permit Fees	1,000	250	1,000	1,000
01-41990	Burn Permits	0			
01-41999	Admin Fees	200	62		500
** TOTAL LICENSES AND PERMITS **		536,105	691,793	589,500	791,050

FINES AND SERVICES

01-42010	City Building Rental	0	-		
01-42019	Civic Center Rental Fees	17,045	10,528	15,000	15,000
01-42020	Civic Center Rental Fees	0	-		
01-42021	Library Mtg Rm Rental Fees	-	120	-	300
01-42022	Proctoring-Library	0	15		
01-42023	Dome Gym Rental Fees	-	1,800	1,000	1,000
01-42025	Copies - Library	11,340	11,528	10,000	10,000
01-42026	Copies - Police Dept	1,544	2,189	1,500	2,000

**REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
01-42030	Police Services	0	-		
01-42031	Police Srv - Misd	419,984	209,345	340,000	400,000
01-42035	Edc-Note	0	-		
01-42053	Fines Library	1,456	1,130	1,000	700
01-42055	Fire Calls	97,678	134,996	77,000	77,000
01-42056	Fire-Ems Rental Fees	0	-		
01-42057	Fire Marshall Fees	9,630	10,430	15,000	15,450
01-42060	Fire Service Fees	220,813	211,709	200,000	206,000
01-42061	Ambulance Services	0	-		
01-42065	Solid Waste Collection Fee	1,595,973	1,558,970	1,430,000	1,600,000
01-42066	North Alamo Collection Fees	0	-		
01-42070	Brush Collection Fees	283,811	276,081	265,000	280,000
01-42080	Municipal Fines	72,328	52,791	70,000	110,000
01-42085	Omnibase	8	-	50	50
01-42100	Swimming Pool Fees	6,631	7,240	12,000	12,000
01-42110	Vital Statistic Fees	5,668	4,941	5,000	6,500
01-42111	Vital Statistic Materials	295	225	400	250
01-42114	Notary		-		300
01-42115	Library Cafe	21,507	19,721	20,000	20,000
01-42121	A/R Late Fees		-		200
01-42130	Weedy Lot-Mowing Fees	15,685	17,878	15,000	25,000
** TOTAL FINES AND SERVICES **		2,781,397	2,531,637	2,477,950	2,781,750

INTERGOVERNMENTAL

01-43000	Keep Mercedes Beautiful Rev	0	0		
01-43007	TWDB GIS Mapping	24,225	0		
01-43150	L/E Comptrollers Travel Leose	2,420	6,276		
01-43155	Library-Interlocal Agreement	3,680	14,400	2,500	2,500
01-43156	Library Grants	250	0	15,000	15,000
01-43170	Urban County Grant		0		
01-43179	Crimestoppers Revenue	0	0		
01-43181	EDC Vogel Loan	0	0		
01-43182	EDC Rubiano Loan	0	0		
01-43183	Safer Grant-Fire	0	0		
01-43187	Cares-H. County	0	0		
** TOTAL INTERGOVERNMENTAL **		30,575	20,676	17,500	17,500

MISCELLANEOUS

01-44011	Rec Center League Fees	24,403	25,385	23,000	23,690
01-44015	Rec Center Membership Fees	24,590	21,288	25,000	25,000
01-44019	Insurance Proceeds	89,628	23,859		
01-44020	Interest Earned	254,275	314,402	50,000	200,000
01-44022	Federal Forfeiture Rev	26,146	-		

**REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
01-44027	Vida Building-Principal	28,290	26,944	29,443	29,443
01-44028	Vida Building-Interest	9,434	7,637	8,282	8,282
01-44030	Miscellaneous Revenue	124,787	12,928	20,000	20,600
01-44031	Pd-Christmas Donations	0	0		
01-44032	Restitution Damages	49,199	-		
01-44033	Contributions	11,605	21,850		
01-44035	Other Finance Sources	0	0		
01-44036	Settlement Proceedes	6,731	1,309		
01-44037	Reserves	0	0	1,163,805	2,000,000
01-44040	Payment In Lieu Of Taxes	0	0		
01-44042	Paving Lien Revenue	50	150		
01-44045	Printing Charges	348	146	400	400
01-44050	Timely Filing Discount	634	691	700	700
01-44051	Purchase Discount	33	-		
01-44060	Rec Center United Way Rev	34,330	212,823	32,000	32,000
01-44070	Sale Of Fixed Assets	50,355	24,740	5,175	5,000
01-44072	Sale Of Land	0	0		
01-44079	Transfer-In-From M.I.F.	0	0		
01-44082	Transfer-In From Utility Fd	0	300,000	300,000	300,000
01-44084	Bond Series Proceeds	0	0		
01-44085	Transfer In	0	0		
01-44088	Transfer In From Ems	0	0		
** TOTAL MISCELLANEOUS **		734,838	994,152	1,657,805	2,645,115
**TOTAL REVENUES **		14,747,294	16,881,155	16,384,284	18,802,343

**CITY COMMISSION
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
01-510-2017	City Commission Compensation	7,200	7,100	7,200	7,200.00
01-510-2023	Commission Expense	3,794	4,812	5,000	5,000.00
01-510-2025	Telephone	1,119	1,291	1,500	1,500.00
01-510-2027	Internet	1,199	1,199	1,200	1,200.00
01-510-2031	Entertainment & Meals	1,080	1,139	1,500	1,500.00
01-510-2130	Membership/Subs	6,892	6,409	7,000	7,000.00
01-510-2138	Postage	379	344	500	500.00
01-510-2150	Travel & Training	14,248	11,123	10,000	15,000.00
01-510-2155	Uniforms		73	-	-
*** CATEGORY TOTAL ***		35,910	33,490	33,900	38,900
SUPPLIES					
01-510-2525	Furniture & Fixtures				
01-510-3050	Office Supplies	28	239	800	1,000
*** CATEGORY TOTAL ***		28	239	800	1,000
CAPITAL OUTLAY					
01-510-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		35,938	33,729	34,700	39,900

**EXECUTIVE ADMINISTRATION
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-512-1010	Full-Time Employees	172,582	171,735	176,459	220,222
01-512-1015	Car Allowance	8,820	8,417	8,820	12,000
01-512-1020	Clothing Allowance	0	0		0
01-512-1030	Temp-Employees	0	0		0
01-512-1080	Overtime	0	0		0
01-512-1100	Pension Contribution	25,504	30,632	31,387	36,203
01-512-1120	Social Security	13,285	13,374	14,174	17,765
01-512-1140	Unemployment Comp	0	0		
01-512-1160	Health & Life Insurance	16,164	16,535	13,641	17,683
01-512-1180	Workers Comp	597	183	488	537
*** CATEGORY TOTAL ***		236,952	240,876	244,969	304,411
OTHER SERVICES & CHARGES					
01-512-2012	Automobile Mileage	0	0		
01-512-2025	Telephone	3,258	2,063	3,000	3,000
01-512-2026	Cell Phone	702	472	600	600
01-512-2027	Internet	1,298	1,199	1,500	1,500
01-512-2045	Contractual Svcs	0	0		
01-512-2130	Membership/Subs.	116	895	2,100	2,100
01-512-2138	Postage	415	358	500	500
01-512-2150	Travel & Training	11,159	9,208	10,500	15,000
01-512-2155	Uniforms	-	305	-	-
01-512-2160	Utilities-Elec City Hall	17,075	17,724	15,000	21,375
*** CATEGORY TOTAL ***		34,023	32,224	33,200	44,075
MAINTENANCE					
01-512-2510	Computer	0	0	0	0
01-512-2520	Equipment Maint.	0	0	0	0
01-512-2525	Furniture & Fixtures	0	0	0	0
01-512-2535	Office Machines	3,061	2,995	4,200	4,200
*** CATEGORY TOTAL ***		3,061	2,995	4,200	4,200
SUPPLIES					
01-512-3025	Fuel		47		500
01-512-3050	Office Supplies	179	960	800	800
*** CATEGORY TOTAL ***		179	1,008	800	1,300
CAPITAL OUTLAY					
01-512-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		274,215	277,102	283,169	353,985

**HUMAN RESOURCES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-513-1010	Full Time Employees	36,579	46,436.07	49,650	63,897
01-513-1080	Overtime	123	-		
01-513-1100	Pension Contribution	5,145	7,433.93	8,411	9,962
01-513-1120	Social Security	2,731	3,503.04	3,798	4,888
01-513-1140	Unemployment Comp	0	-		
01-513-1160	Health & Life Insurance	5,406	6,389.24	6,374	6,623
01-513-1180	Workers Comp	398	76.69	274	301.40
*** CATEGORY TOTAL ***		50,382	63,839	68,507	85,671
OTHER SERVICES & CHARGES					
01-513-2025	Telephone	0	112.43	500	500
01-513-2026	Cell Phone	299	471.64	500	500
01-513-2027	Internet	1,099	1,198.50	1,000	1,000
01-513-2045	Contractual Services	0	-	0	0
01-513-2130	Memberships/Subs	0	244.00	250	500
01-513-2138	Postage	12	40.44	100	100
01-513-2150	Travel & Training	1,040	249.00	1,000	1,000
01-513-2155	Uniforms		61.47		
*** CATEGORY TOTAL ***		2,449	2,377	3,350	3,600
MAINTENANCE					
01-513-2525	Furniture & Fixtures	134	0	0	1,000
*** CATEGORY TOTAL ***		134	0	0	1,000
SUPPLIES					
01-513-3050	Office Supplies	755	431	800	600
01-513-3054	Meals & Events	768	584	1,000	800
01-513-3060	Safety	0	0	0	0
*** CATEGORY TOTAL ***		1,523	1,014	1,800	1,400
*** DEPARTMENT TOTAL ***		54,489	67,231	73,657	91,671

**CITY SECRETARY
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-514-1010	Full-Time Employees	55,994	42,056	44,352	116,042
01-514-1030	Temp-Employees	0	0		
01-514-1080	Overtime	0	0		
01-514-1100	Pension Contribution	8,374	6,868	7,513	18,091
01-514-1120	Social Security	4,308	3,196	3,393	8,877
01-514-1140	Unemployment Comp.	-	-		
01-514-1160	Health & Life Insurance	6,353	4,283	4,271	17,683
01-514-1180	Workers Comp	597	(6)	274	301
*** CATEGORY TOTAL ***		75,627	56,397	59,803	160,994
OTHER SERVICES & CHARGES					
01-514-2012	Automobile Mileage	0	0		
01-514-2026	Cell Phone	759	943	500	1,200
01-514-2044	Contractual Services	5,226	17,929	21,000	-
01-514-2130	Memberships/Subs	86	100	650	650
01-514-2138	Postage	432	443	500	500
01-514-2139	Professional Services	1,188	-	1,300	1,300
01-514-2150	Travel & Training	917	2,636	1,500	3,000
01-514-2155	Uniforms	-	67		
*** CATEGORY TOTAL ***		8,608	22,119	25,450	6,650
MAINTENANCE					
01-514-2520	Equipment Maint.	0	0	0	0
01-514-2525	Furniture & Fixtures	110	-	500	700
*** CATEGORY TOTAL ***		110	0	500	700
SUPPLIES					
01-514-3050	Office Supplies	459	804	1,000	1,000
01-514-3060	Safety	0	0	0	0
*** CATEGORY TOTAL ***		459	804	1,000	1,000
CAPITAL OUTLAY					
01-514-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		84,803	79,320	86,753	169,344

**MUNICIPAL COURT
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-516-1010	Full-Time Employees	52,331	38,210	54,263	51,076
01-516-1030	Temp-Employees	0	0		
01-516-1080	Overtime	0	6		
01-516-1100	Pension Contribution	7,575	6,496	9,192	5,360
01-516-1120	Social Security	3,972	2,917	4,151	3,907
01-516-1140	Unemployment Comp	0	0		
01-516-1160	Health & Life Insurance	7,858	6,192	8,924	6,623
01-516-1180	Workers Comp	398	319	548	602.80
*** CATEGORY TOTAL ***		72,135	54,140	77,078	67,569
OTHER SERVICES & CHARGES					
01-516-2012	Automobile Mileage	0	0	0	0
01-516-2025	Telephone	909	725	950	750
01-516-2026	Cell Phone	219	472	500	500
01-516-2027	Internet	1,199	1,199	1,500	1,500
01-516-2044	Contractual Services	60,000	60,000	62,000	62,000
01-516-2046	Professional Services	0	0		
01-516-2130	Membership/Subs.	0	0		
01-516-2138	Postage	382	347	500	500
01-516-2150	Travel & Training	772	-	500	500
*** CATEGORY TOTAL ***		63,480	62,742	65,950	65,750
MAINTENANCE					
01-516-2520	Equipment Maint.	0	0	0	0
01-516-2525	Furniture & Fixtures	0	0	500	500
*** CATEGORY TOTAL ***		0	0	500	500
SUPPLIES					
01-516-3050	Office Supplies	564	220	500	600
*** CATEGORY TOTAL ***		564	220	500	600
CAPITAL OUTLAY					
01-516-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		136,179	117,102	144,028	134,419

**FINANCE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-518-1010	Full-Time Employees	154,405	146,642	173,597	173,499
01-518-1030	Temp-Employees	0	0		
01-518-1080	Overtime	0	0		
01-518-1100	Pension Contribution	21,726	24,693	29,407	27,049
01-518-1120	Social Security	11,516	11,333	13,280	13,273
01-518-1140	Uemployment Comp	0	0		
01-518-1160	Health & Life Insurance	19,076	19,801	21,354	22,187
01-518-1180	Workers Comp	996	692	1,250	1,375
*** CATEGORY TOTAL ***		207,719	203,161	238,888	237,383
OTHER SERVICES & CHARGES					
01-518-2012	Automobile Mileage		-		
01-518-2025	Telephone	2,149	1,880	2,500	2,500
01-518-2026	Cell Phones	1,165	472	500	500
01-518-2027	Internet	1,198	1,199	1,500	1,500
01-518-2130	Memberships/Subs	406	340	1,000	1,500
01-518-2138	Postage	1,174	814	1,800	1,800
01-518-2150	Travel & Training	1,867	3,350	4,000	6,000
01-518-2155	Uniforms	-	125	-	1,000
*** CATEGORY TOTAL ***		7,959	8,179	11,300	14,800
MAINTENANCE					
01-518-2525	Furniture & Fixtures	350	674	1,000	1,000
01-518-2535	Office Machines	1,175	891	2,000	2,000
*** CATEGORY TOTAL ***		1,525	1,566	3,000	3,000
SUPPLIES					
01-518-3050	Office Supplies	3,617	3,866	4,000	4,000
*** CATEGORY TOTAL ***		3,617	3,866	4,000	4,000
CAPITAL OUTLAY					
01-518-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		220,820	216,772	257,188	259,183

**INFORMATION TECHNOLOGY
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-519-1010	Full -Time Employee	61,818	82,511	96,141	101,061
01-519-1030	Temp Employees	0	0		
01-519-1080	Overtime	0	0	10,000	5,000
01-519-1100	Pension Contribution	7,812	13,590	17,980	16,535
01-519-1120	Social Security	4,479	6,195	8,120	8,114
01-519-1140	Unemployment Comp	0	0		
01-519-1160	Health & Life Insurance	2,221	10,201	12,749	13,246
01-519-1180	Workers Comp	413	556	722	794.20
*** CATEGORY TOTAL ***		76,744	113,054	145,712	144,750
OTHER SERVICES & CHARGES					
01-519-2012	Automobile Mileage	328	-		1,500
01-519-2025	Telephone	572	658	650	650
01-519-2026	Cell Phones	579	1,013	1,100	1,100
01-519-2027	Internet	1,199	1,199	1,000	1,050
01-519-2044	Contractual Services	89,450	90,000	54,000	30,000
01-519-2130	Membership/Subs	(175)	(175)	200	175
01-519-2150	Travel & Training	0	400	2,000	2,980
01-519-2155	Uniforms	0	61	0	-
*** CATEGORY TOTAL ***		91,952	93,155	58,950	37,455
MAINTENANCE					
01-519-2525	Furniture & Fixtures	0	0	1,000	0
01-519-2534	Software License	75,793	125,781	205,161	257,516
*** CATEGORY TOTAL ***		75,793	125,781	206,161	257,516
SUPPLIES					
01-519-3010	It-Commission	0	0		
01-519-3012	It-Executive Admin	0	25,000	10,000	5,000
01-519-3013	IT-Human Resources	0	404	500	3,250
01-519-3014	It-City Secretary	3,041	1,386	3,100	5,600
01-519-3018	It-Finance	22,568	16,500	22,000	2,500
01-519-3019	IT-Planning	9,651	6,275	3,000	3,950
01-519-3022	It-Police Dept	11,647	27,417	15,000	15,000
01-519-3024	It-Fire Dept	2,944	11,805	15,000	18,172
01-519-3025	Fuel	0	80	600	400
01-519-3026	It-Pw Admin	50,056	28,605	29,400	5,000
01-519-3032	It-Vehicle Maint	0	0	2,000	2,000
01-519-3035	It-Rec Center	297	946	1,500	6,597
01-519-3036	It-Library	4,266	2,919	5,000	18,214
01-519-3039	It-Dome Shelter	2,390	-	1,500	11,046
01-519-3044	IT-Non Departmental	24,935	2,400	39,000	22,676

*** CATEGORY TOTAL ***

131,794	123,737	147,600	119,406
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CAPITAL OUTLAY

01-519-4010 Capital Outlay

0	0	0	27,500
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*** CATEGORY TOTAL ***

0	0	0	27,500
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*** DEPARTMENT TOTAL ***

376,284	455,727	558,423	586,626
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**PLANNING
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-520-1010	Full-Time Employees	278,911	262,099	335,797	350,618
01-520-1015	Car Allowance	3,180	2,752	3,180	-
01-520-1030	Part-Time Employees	5,869	-		
01-520-1080	Overtime	392	96	500	500
01-520-1100	Pension Contribution	37,056	43,896	57,507	54,739
01-520-1120	Social Security	20,071	19,563	25,970	26,861
01-520-1140	Unemployment Comp	0	0		0
01-520-1160	Health & Life Insurance	19,142	32,245	47,998	52,984
01-520-1180	Workers Comp	1,353	(2,799)	1,893	2,082.30
*** CATEGORY TOTAL ***		365,976	357,852	472,845	487,783
OTHER SERVICES & CHARGES					
01-520-2012	Automobile Mileage	0	0		
01-520-2025	Telephone	2,996	2,176	2,600	2,600
01-520-2026	Cell Phones	1,850	2,429	3,000	3,600
01-520-2027	Internet	1,861	3,490	2,500	2,500
01-520-2030	Material Testing	16,353	7,190	50,000	5,000
01-520-2044	Contractual Services	7,130	10,957	8,105	8,105
01-520-2080	Equipment Rental	0	0	1,000	1,000
01-520-2130	Membership/Subs.	504	208	3,304	3,304
01-520-2138	Postage	2,181	3,181	3,000	3,000
01-520-2139	Professional Services	1,268	49,538	40,623	25,000
01-520-2150	Travel & Training	10,535	9,638	15,315	16,500
01-520-2155	Uniforms	1,540	949	2,600	3,000
*** CATEGORY TOTAL ***		46,219	89,754	132,047	73,609
MAINTENANCE					
01-520-2520	Equipment Maint.	315	5,027	3,700	3,700
01-520-2525	Furniture & Fixtures	579	-		2,000
01-520-2535	Office Machines	4,120	3,343	4,800	5,000
*** CATEGORY TOTAL ***		5,014	8,370	8,500	10,700
SUPPLIES					
01-520-3025	Fuel	6,591	6,939	8,134	10,600
01-520-3041	Equipment	299	3,370	3,000	3,000
01-520-3050	Office Supplies	2,424	788	2,000	2,500
*** CATEGORY TOTAL ***		9,314	11,097	13,134	16,100
CAPITAL OUTLAY					
01-520-4010	Capital Outlay	0	58,600	45,000	
*** CATEGORY TOTAL ***		0	58,600	45,000	0

ACCOUNT ID	Description			2025	FY26
		2023 Actual	2024 Actual	Budgeted	Proposed
*** DEPARTMENT TOTAL ***		426,522	525,673	671,526	588,192

**POLICE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-522-1010	Full Time Employees	1,769,109	1,650,677	1,963,742	1,999,695
01-522-1011	Regular-Livestock Event	1,292	317		3,500
01-522-1012	Regular-Texas Street Fest	1,674	1,344		1,500
01-522-1013	Regular-Misd Ro	17,131	8,121		18,000
01-522-1014	Regular-Misd Homecoming	598	-		0
01-522-1015	Car Allowance-Chief	3,808	-		0
01-522-1016	Regular-National Night Out	595	459		0
01-522-1017	Regular-Veterans Parade	191	-		0
01-522-1018	Regular-Xmas Tree Lighting	0	0		0
01-522-1019	Regular-Elida Fest	0	0		0
01-522-1022	Regular-S. TX. Inte. Marathon	0	422		0
01-522-1024	Step CMV	0	0	0	1,500
01-522-1030	Temp-Employees	0	0		0
01-522-1080	Overtime	38,160	75,790	170,000	141,500
01-522-1081	Overtime-Livestock Event	3,234	3,329		1,500
01-522-1082	Overtime-Texas Street Fest	1,609	2,323		
01-522-1083	Overtime- Misd Ro	64,684	39,752		30,000
01-522-1084	Overtime-Misd Homecoming	560	-		0
01-522-1085	Overtime-National Night Out	2,647	2,561		0
01-522-1086	Overtime-Veterans Parade	303	-		0
01-522-1087	Overtime-Xmas Tree Lighting	0	0		0
01-522-1088	Overtime-Elida Fest	0	0		0
01-522-1089	Overtime-DEA Task Force	0	5,405		15,000
01-522-1092	Overtime-S. TX. Inter Marathon	0	1,832	0	2,500
01-522-1100	Pension Contribution	273,545	293,989	361,456	337,991
01-522-1101	Overtime MVCPA Task Force				1,500
01-522-1102	Step CMV				1,500
01-522-1103	Step Comprehensive				1,500
01-522-1120	Social Security	145,424	136,425	163,231	165,851
01-522-1140	Unemployment Comp	522	20,413	20,000	
01-522-1160	Health & Life Insurance	227,237	199,370	265,170	291,409
01-522-1180	Workers Comp	35,684	36,190	40,347	44,381.70
*** CATEGORY TOTAL ***		2,588,009	2,478,719	2,983,946	3,058,828

OTHER SERVICES & CHARGES

01-522-2025	Telephone	8,400	7,502	10,000	10,000
01-522-2026	Cell Phones	5,419	5,176	5,000	5,000
01-522-2027	Internet	17,732	20,274	24,000	24,000
01-522-2040	Crimestoppers	(40)	-	2,100	2,100
01-522-2044	Contractual Services	26,909	33,779	67,375	67,375
01-522-2080	Equipment Rental	0	489	1,000	1,000
01-522-2105	Investigation Fees	0	0	500	500

ACCOUNT ID	Description			2025	FY26
		2023 Actual	2024 Actual	Budgeted	Proposed
01-522-2130	Memberships/Subs.	0	9,964	10,000	1,200
01-522-2138	Postage	521	479	500	1,000
01-522-2139	Professional Services	569	-	200	200
01-522-2150	Travel & Training	10,702	19,536	40,000	40,000
01-522-2151	Travel & Training Comptroll	326	3,015	2,400	2,400
01-522-2155	Uniforms	2,925	24,909	36,000	36,000
01-522-2160	Utilities-Elec Pd Bldg	20,617	30,743	23,600	29,360
*** CATEGORY TOTAL ***		94,079	155,866	222,675	220,135
MAINTENANCE					
01-522-2520	Equipment Maint.	750	-	2,500	4,000
01-522-2525	Furniture & Fixtures	360	6,369	9,000	4,500
01-522-2535	Office Machines	7,191	7,170	8,000	8,000
01-522-2550	Radios	18,117	44,687	67,800	81,000
*** CATEGORY TOTAL ***		26,417	58,225	87,300	97,500
SUPPLIES					
01-522-3000	Ammunition	3,081	4,324	6,000	6,500
01-522-3025	Fuel	91,199	70,933	90,000	70,000
01-522-3033	CID Supplies	627	3,728	4,500	4,500
01-522-3040	Medical	580	-	1,000	1,000
01-522-3050	Office Supplies	5,539	4,892	6,000	6,000
01-522-3051	Meals & Events	1,817	3,016	4,000	4,000
01-522-3055	Other-Police Equipment	40,588	16,494	30,000	38,500
01-522-3060	Safety	0	1,520	1,600	1,600
01-522-3062	Public Education	1,476	486	3,100	3,500
01-522-3065	Support Of Prisoners	0	0	3,000	3,000
01-522-3085	Uniforms	0	0		
01-522-3091	Community Functions	1,137	829	1,400	2,000
*** CATEGORY TOTAL ***		146,045	106,222	150,600	140,600
CAPITAL OUTLAY					
01-522-4010	Capital Outlay	87,432	5,798	0	30,765
*** CATEGORY TOTAL ***		87,432	5,798	0	30,765
*** DEPARTMENT TOTAL ***		2,941,983	2,804,830	3,444,521	3,547,829

**ANIMAL CONTROL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-523-1010	Full Time Employees	37,512	43,501	54,302	55,414
01-523-1080	Overtime	3,007	349	6,500	6,500
01-523-1100	Pension Contribution	5,660	7,018	10,300	9,652
01-523-1120	Social Security	3,060	3,354	4,652	4,736
01-523-1140	Unemployment Comp	0	0		
01-523-1160	Health & Life Insurance	8,565	9,448	12,749	13,246
01-523-1180	Workers Comp	347	213	428	471
*** CATEGORY TOTAL ***		58,150	63,884	88,931	90,020
OTHER SERVICES & CHARGES					
01-523-2025	Telephone	0	0	0	0
01-523-2026	Cell Phones	928	472	1,200	1,200
01-523-2027	Internet	100	237	0	0
01-523-2045	Contractual Services	0	0	0	0
01-523-2105	Investigation Fees	0	0	0	0
01-523-2130	Membership & Subs	0	0	0	0
01-523-2150	Travel & Training	1,547	460	1,000	1,000
01-523-2155	Uniforms	523	987	1,500	1,500
*** CATEGORY TOTAL ***		3,099	2,155	3,700	3,700
MAINTENANCE					
01-523-2525	Furniture & Fixtures	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
SUPPLIES					
01-523-3025	Fuel	0	2,384	1,500	1,500
01-523-3041	Equipment Supplies	1,092	1,190	2,000	2,000
01-523-3048	A/C Supplies	2,064	1,256	2,000	2,000
01-523-3050	Office Supplies	121	222	500	500
01-523-3060	Safety Supplies	598	108	200	200
*** CATEGORY TOTAL ***		3,875	5,159	6,200	6,200
CAPITAL OUTLAY					
01-523-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		65,124	71,198	98,831	99,920

**FIRE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-524-1010	Full-Time Employees	881,644	958,321	1,153,656	1,164,806
01-524-1011	Regular-Livestock Event	596	1,189		
01-524-1012	Regular-Texas Street Fest	276	125		
01-524-1022	Regular-S. TX Inter. Marathon	-	162	0	0
01-524-1030	Temp-Employees	0			
01-524-1080	Overtime	100,164	103,052	96,000	116,000
01-524-1081	Overtime-Livestock Event	4,622	3,734	4,000	5,000
01-524-1082	Overtime-Texas Street Fest	1,035	157	1,200	1,200
01-524-1089	Overtime-10 Man Jam	0	967	1,000	1,000
01-524-1092	Overtime-S TX	0	476	2,000	2,500
01-524-1093	Overtime - Monster Truck	0	188	500	500
01-524-1100	Pension Contribution	140,319	176,540	213,166	197,997
01-524-1120	Social Security	75,091	81,476	96,264	98,762
01-524-1140	Unemployment Comp	0	0	2,000	-
01-524-1160	Health & Life Insurance	106,192	123,744	152,983	158,951
01-524-1180	Workers Comp	45,734	42,376	49,664	54,630.40
*** CATEGORY TOTAL ***		1,355,673	1,492,507	1,772,433	1,801,346
OTHER SERVICES & CHARGES					
01-524-2019	Firemen's Volunteers	3,870	4,330	10,000	10,000
01-524-2022	Volunteer Uniforms	0	1,023	1,500	1,500
01-524-2025	Telephone	4,608	5,167	4,500	4,500
01-524-2026	Cell Phone	1,347	1,572	1,600	2,500
01-524-2027	Internet	6,868	6,902	6,500	7,000
01-524-2031	Programming Services	1,024	1,655	1,250	1,250
01-524-2080	Equipment Rental	1,579	373	2,000	1,000
01-524-2130	Memberships/Subs.	964	1,007	2,000	1,500
01-524-2138	Postage	675	304	500	500
01-524-2150	Travel & Training	3,748	9,683	10,000	10,000
01-524-2155	Uniforms	0	61	0	0
01-524-2160	Utilities-Elec Fire Dept	18,535	15,974	16,000	18,886
*** CATEGORY TOTAL ***		43,217	48,051	55,850	58,636
MAINTENANCE					
01-524-2520	Equipment Maint.	1,931	1,188	1,500	2,000
01-524-2521	Scba Equipment Maint	1,466	5,322	6,000	6,000
01-524-2525	Furniture & Fixtures	0	2,008	3,000	3,000
01-524-2535	Office Machines	2,122	1,975	2,800	2,800
01-524-2550	Radios	1,872	2,351	3,000	3,000
*** CATEGORY TOTAL ***		7,390	12,846	16,300	16,800
SUPPLIES					

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
01-524-3015	Evidence	310	-	1,000	1,000
01-524-3025	Fuel	12,514	15,262	12,000	15,000
01-524-3030	Janitorial/Cleaning	757	373	1,000	1,000
01-524-3031	Fire Hydrant Paint	0	1,268	1,500	1,500
01-524-3041	Equipment Supplies	4,858	4,691	12,000	15,000
01-524-3043	Training Supplies	0	371	1,000	2,000
01-524-3045	Minor Tools	2,773	2,275	3,800	3,800
01-524-3046	Bunker Gear	10,989	14,444	25,000	28,000
01-524-3050	Office Supplies	1,377	957	2,000	2,000
01-524-3057	Public Education	1,555	-	2,800	2,500
01-524-3060	Safety	1,511	1,073	1,000	1,000
01-524-3091	Community Functions	806	190	1,600	1,600
*** CATEGORY TOTAL ***		37,450	40,904	64,700	74,400
CAPITAL OUTLAY					
01-524-4010	Capital Outlay	18,400	0	28,000	50,000
*** CATEGORY TOTAL ***		18,400	0	28,000	50,000
*** DEPARTMENT TOTAL ***		1,462,130	1,594,308	1,937,283	2,001,182

**PUBLIC WORKS
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-526-1010	Full-Time Employees	44,967	77,865	84,550	86,800
01-526-1015	Car Allowance	2,625	1,400	3,000	1,750
01-526-1030	Temp-Employees	0	0		
01-526-1080	Overtime	33	11		
01-526-1100	Pension Contribution	6,777	12,370	14,642	13,553
01-526-1120	Social Security	3,650	5,884	6,640	6,678
01-526-1140	Unemployment Comp.	3,987	5,259	1,600	-
01-526-1160	Health & Life Insurance	6,926	10,350	13,896	14,438
01-526-1180	Workers Comp	1,022	508	762	838
*** CATEGORY TOTAL ***		69,987	113,648	125,090	124,057
OTHER SERVICES & CHARGES					
01-526-2025	Telephone	3,901	2,901	3,000	3,000
01-526-2026	Cell Phones	976	765	1,000	800
01-526-2027	Internet	5,937	4,974	4,800	4,800
01-526-2130	Memberships/Subs.	0		0	
01-526-2138	Postage	383	304	300	300
01-526-2150	Travel & Training	2,094	925	1,000	1,800
01-526-2155	Uniforms	64	162	1,000	900
01-526-2160	Utilities-Elec City Shop	6,118	4,581	4,700	4,700
01-526-2161	Utilities-Electricity & Wat	0	0	0	0
*** CATEGORY TOTAL ***		19,474	14,613	15,800	16,300
MAINTENANCE					
01-526-2505	Building	0	0		
01-526-2510	Computer	0	0		
01-526-2520	Equipment Maint.	0	0		
01-526-2525	Furniture & Fixtures	0	0	500	1,000
01-526-2535	Office Machines	3,218	3,138	2,500	3,300
01-526-2550	Radios	0	0		
01-526-2560	Vehicles	0	0		
*** CATEGORY TOTAL ***		3,218	3,138	3,000	4,300
SUPPLIES					
01-526-3005	Animal Shelter	0	0		
01-526-3025	Fuel	564	2,742	1,000	2,500
01-526-3030	Janitorial/Cleaning	0	0		
01-526-3035	Lab & Photo	0	0		
01-526-3045	Minor Tools	0	0	100	100
01-526-3050	Office Supplies	1,969	1,898	2,000	2,200
01-526-3060	Safety Supplies	43	-		
*** CATEGORY TOTAL ***		2,576	4,640	3,100	4,800

CAPITAL OUTLAY

01-526-4010 Capital Outlay

*** CATEGORY TOTAL ***

0	33,361	0	0
0	33,361	0	0

*** DEPARTMENT TOTAL ***

95,255	169,399	146,990	149,457
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**STREETS
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-528-1010	Full-Time Employees	214,206	228,283	263,014	311,865
01-528-1011	Regular-Livestock Event	70	92		
01-528-1012	Regular-Texas Street Fest	655	-		
01-528-1030	Temp-Employees	0	0		
01-528-1080	Overtime	19,335	19,520	20,000	20,000
01-528-1081	Overtime-Livestock Event	476	1,185		
01-528-1082	Overtime-Texas Street Fest	600	-		
01-528-1100	Pension Contribution	32,981	41,090	47,943	51,738
01-528-1120	Social Security	17,865	19,080	21,651	25,388
01-528-1140	Unemployment Comp	0	0	600	-
01-528-1160	Health & Life Insurance	50,862	44,595	57,369	72,852
01-528-1180	Workers Comp	10,232	9,462	11,629	12,791.90
*** CATEGORY TOTAL ***		347,283	363,306	422,206	494,634

OTHER SERVICES & CHARGES

01-528-2010	Advertising	0	0		
01-528-2012	Automobile Mileage	0	0		
01-528-2025	Telephones	0	0		
01-528-2026	Cell Phones	1,212	1,290	1,500	1,500
01-528-2027	Internet	133	704	800	1,320
01-528-2080	Equipment Rental	589	-	3,000	3,000
01-528-2130	Memberships/Subs.	0	0		
01-528-2150	Travel & Training	0	589	500	1,000
01-528-2155	Uniforms	6,583	9,983	-	9,500
01-528-2160	Utilities-Electricity	0	0	9,500	10,000
*** CATEGORY TOTAL ***		8,517	12,566	15,300	26,320

MAINTENANCE

01-528-2500	Air Conditioning	0	0		
01-528-2505	Building	0	0		
01-528-2520	Equipment Maint.	11,228	12,867	15,000	15,000
01-528-2521	Chistmas Deco. Maint.	10,258	471	8,000	8,000
01-528-2530	Lights	0	0	5,000	5,000
01-528-2545	Paving/Seal Coating	62,077	88,399	150,000	150,000
01-528-2546	Sidewalk Repairs	32,403	93,737	50,000	65,000
01-528-2550	Radios	0	0		
01-528-2560	Vehicles	0	0		
*** CATEGORY TOTAL ***		115,966	195,474	228,000	243,000

SUPPLIES

01-528-3005	Animal Shelter	0	0		
01-528-3020	Chemicals	3,418	2,168	2,000	2,500

ACCOUNT ID	Description			2025	FY26
		2023 Actual	2024 Actual	Budgeted	Proposed
01-528-3025	Fuel / Diesel	26,427	15,259	25,000	20,000
01-528-3041	Equipment Supplies	1,296	1,449	1,500	5,000
01-528-3045	Minor Tools	2,717	2,076	2,500	1,500
01-528-3047	Supplies-Signs	2,545	2,382	2,500	3,000
01-528-3053	Paint	597	713	1,500	1,500
01-528-3060	Safety	18,952	13,211	8,000	13,500
01-528-3070	Sweeper Brushes	-	-	5,000	5,000
*** CATEGORY TOTAL ***		55,951	37,257	48,000	52,000
CAPITAL OUTLAY					
01-528-4010	Capital Outlay	43,309	37,533		132,327
*** CATEGORY TOTAL ***		43,309	37,533	0	132,327
*** DEPARTMENT TOTAL ***		571,025	646,136	713,506	948,281

**BUILDING MAINTENANCE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS		0	0	0	0
01-530-1010	Full-Time Employees	79,564	84,280	84,784	88,784
01-530-1012	Regular-Texas Street Fest	37	-		
01-530-1030	Temp-Employees	0	0		
01-530-1080	Overtime	6,626	4,277	4,000	4,000
01-530-1082	Overtime-Texas Street Fest	93	-		
01-530-1100	Pension Contribution	12,011	14,652	15,040	13,841
01-530-1120	Social Security	6,493	6,743	6,792	6,792
01-530-1140	Unemployment Comp	0	0		
01-530-1160	Health & Life Insurance	5,998	13,980	19,123	19,869
01-530-1180	Workers Comp	520	941	1,344	211
*** CATEGORY TOTAL ***		111,343	124,871	131,083	133,497
OTHER SERVICES & CHARGES					
01-530-2139	Professional Services	0	15,195		
01-530-2155	Uniforms	1,427	893	1,500	1,500
*** CATEGORY TOTAL ***		1,427	16,088	1,500	1,500
MAINTENANCE					
01-530-2500	Air Conditioning	12,012	23,584	75,000	118,000
01-530-2505	Building	50,509	45,684	40,000	45,000
01-530-2520	Equipment Maint.	15,594	2,424	5,000	5,000
01-530-2530	Lights	0	0		
*** CATEGORY TOTAL ***		78,116	71,693	120,000	168,000
SUPPLIES					
01-530-3030	Janitorial/Cleaning	37,881	25,124	30,000	35,000
01-530-3045	Minor Tools	28	175	100	100
01-530-3060	Safety	144	450	500	500
*** CATEGORY TOTAL ***		38,053	25,749	30,600	35,600
CAPITAL OUTLAY					
01-530-4010	Capital Outlay	63,938	129,827		142,500
*** CATEGORY TOTAL ***		63,938	129,827	0	142,500
*** DEPARTMENT TOTAL ***		292,876	368,228	283,183	481,097

**VEHICLE MAINTENANCE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-532-1010	Full-Time Employees	66,536	40,997	75,847	75,847
01-532-1030	Temp-Employees	0	0		
01-532-1080	Overtime	1,077	538	3,000	3,000
01-532-1100	Pension Contribution	9,995	6,848	13,357	12,292
01-532-1120	Social Security	5,299	3,148	6,032	6,032
01-532-1140	Unemployment Comp	0	0		
01-532-1160	Health & Life Insurance	8,135	4,713	12,749	13,246
01-532-1180	Workers Comp	809	491	741	815
*** CATEGORY TOTAL ***		91,852	56,735	111,726	111,232
OTHER SERVICES & CHARGES					
01-532-2028	GPS Services	25,504	22,127	23,000	23,000
01-532-2046	Vehicle-Lease Expense	177,330	180,162	185,000	225,000
01-532-2080	Equipment Rental	0	0	0	
01-532-2150	Travel & Training	475	-	500	300
01-532-2155	Uniforms	1,762	1,650	1,800	2,000
*** CATEGORY TOTAL ***		205,071	203,939	210,300	250,300
MAINTENANCE					
01-532-2520	Equipment Maint.	1,044	968	3,000	5,000
01-532-2561	Vehicles-Finance	0	0	0	
01-532-2562	Vehicles-Planning	542	5,037	5,000	5,000
01-532-2563	Vehicles-Police Dept	53,381	30,212	30,000	40,000
01-532-2564	Vehicles-Fire Dept	50,964	33,937	50,000	50,000
01-532-2565	Vehicles-Pw Admin	220	1,899	1,000	1,000
01-532-2566	Vehicles-Streets	7,324	7,635	10,000	10,000
01-532-2567	Vehicles-Parks	6,268	2,671	5,000	3,500
01-532-2568	Vehicles-Rec Center/Dome	7	-	0	
01-532-2569	Vehicles-City Hall	3,174	4,487	1,000	1,000
01-532-2570	Vehicles-Pd Forfeiture	0	4,807	0	
01-532-2571	Vehicles-Animal Control	0	0	0	1,000
*** CATEGORY TOTAL ***		122,922	91,652	105,000	116,500
SUPPLIES					
01-532-3025	Fuel	659	884	1,000	1,000
01-532-3030	Janitorial/Cleaning	0	0		
01-532-3041	Equipment Supplies	226	1,024	1,500	1,500
01-532-3045	Minor Tools	2,291	536	1,500	1,000
01-532-3060	Safety	500	503	500	500
*** CATEGORY TOTAL ***		3,675	2,947	4,500	4,000

CAPITAL OUTLAY

01-532-4010 Capital Outlay

*** CATEGORY TOTAL ***

12,280	0		
12,280	0	0	0

*** DEPARTMENT TOTAL ***

435,799	355,273	431,526	482,032
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**PARKS & REC
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-534-1010	Full-Time Employees	186,133	149,047	201,647	238,450
01-534-1011	Regular-Livestock Event	0	0		
01-534-1012	Regular-Texas Street Fest	388	-		
01-534-1030	Temp-Employees	0	0		
01-534-1080	Overtime	18,749	14,899	25,000	25,000
01-534-1081	Overtime-Livestock Event	517	870		
01-534-1082	Overtime-Texas Street Fest	423	-		
01-534-1100	Pension Contribution	29,511	26,825	38,394	41,072
01-534-1120	Social Security	15,219	12,490	17,339	20,154
01-534-1140	Unemployment Comp	616	2,603		
01-534-1160	Health & Life Insurance	42,948	32,096	44,620	46,361
01-534-1180	Workers Comp	8,838	9,010	10,931	12,024
*** CATEGORY TOTAL ***		303,343	247,840	337,931	383,060
OTHER SERVICES & CHARGES					
01-534-2026	Cell Phones	456	659	850	1,200
01-534-2027	Internet	391	-		
01-534-2080	Equipment Rental	0	0		1,000
01-534-2130	Memberships/Subs.		0		500
01-534-2150	Travel & Training	143	179		2,500
01-534-2155	Uniforms	3,839	6,494	6,500	6,500
01-534-2160	Utilities-Elec Parks&Recs	114,967	100,503	72,000	95,359
*** CATEGORY TOTAL ***		119,795	107,835	79,350	107,059
MAINTENANCE					
01-534-2505	Building	3,930	9,637	10,000	10,000
01-534-2506	Parks Maint	537	5,402	10,000	10,000
01-534-2520	Equipment Maint.	11,391	5,832	13,000	13,000
01-534-2530	Lights	1,850	-		3,500
01-534-2555	Swimming Pool	985	249	3,000	
*** CATEGORY TOTAL ***		18,693	21,120	36,000	36,500
SUPPLIES					
01-534-3020	Chemicals	1,530	370	4,000	3,500
01-534-3025	Fuel	15,651	10,161	10,000	10,000
01-534-3041	Equipment	1,404	1,815		2,000
01-534-3045	Minor Tools	942	963	1,500	1,500
01-534-3046	Equipment Supplies	0	0		
01-534-3050	Office Supplies	0	0		
01-534-3060	Safety	1,253	1,065	2,500	2,500
*** CATEGORY TOTAL ***		20,780	14,373	18,000	19,500

CAPITAL OUTLAY

01-534-4010 Capital Outlay

***** CATEGORY TOTAL *****

0	16,669	6,928	0
0	16,669	6,928	0

***** DEPARTMENT TOTAL *****

462,611	407,837	478,209	546,119
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**REC CENTER
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-535-1010	Full-Time Employees	0	0		
01-535-1030	Temp-Employees	0	0		
01-535-1031	Lifeguards	8,566	15,379	15,000	15,000
01-535-1080	Overtime	0	0		
01-535-1100	Pension Contribution	0	0		
01-535-1120	Social Security	655	1,176	1,148	1,235
01-535-1140	Unemployment Comp	0	0		
01-535-1160	Health & Life Insurance	0	0		
01-535-1180	Workers Comp	-	-	30	33
*** CATEGORY TOTAL ***		9,221	16,555	16,178	16,268
OTHER SERVICES & CHARGES					
01-535-2025	Telephones	1,982	2,513	2,500	2,400
01-535-2026	Cell Phones	380	472	600	-
01-535-2027	Internet	5,425	5,427	6,000	6,000
01-535-2044	Contractual Services	11,927	13,668	15,000	16,500
01-535-2130	Memberships/Subs.	(14)	-		
01-535-2140	Recreational Prog	0	0		
01-535-2150	Travel & Trainin	210	350	600	600
01-535-2155	Uniforms	42	29		
01-535-2160	Utilities-Elec Rec. Center	7,897	6,204	6,800	9,065
*** CATEGORY TOTAL ***		27,850	28,662	31,500	34,565
MAINTENANCE					
01-535-2520	Equipment Maint.	100	637	1,000	500
01-535-2525	Furniture & Fixtures	0	0		
01-535-2535	Office Machines	16	1,557	1,200	1,500
01-535-2555	Swimming Pool	8,538	14,272	25,000	20,000
*** CATEGORY TOTAL ***		8,654	16,465	27,200	22,000
SUPPLIES					
01-535-3025	Fuel	0	0		
01-535-3030	Janitorial/Cleaning	215	197	700	500
01-535-3041	Equipment	429	276	700	500
01-535-3045	Minor Tools	0	100	500	100
01-535-3050	Office Supplies	0	0		
01-535-3060	Safety	55	-	700	500
*** CATEGORY TOTAL ***		699	572	2,600	1,600
CAPITAL OUTLAY					
01-535-4010	Capital Outlay	28,450	0		
*** CATEGORY TOTAL ***		28,450	0	0	0

*** DEPARTMENT TOTAL ***

74,874	62,255	77,478	74,433
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**LIBRARY
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-536-1010	Full-Time Employees	234,121	251,996	272,716	282,368
01-536-1030	Part-Time Employees	16,668	16,425	20,409	35,787
01-536-1080	Overtime	0	0		
01-536-1100	Pension Contribution	32,969	41,058	46,198	44,021
01-536-1120	Social Security	19,071	20,478	22,424	23,426
01-536-1140	Unemployment Comp	0	654		
01-536-1160	Health & Life Ins	43,390	47,254	50,994	49,672
01-536-1180	Workers Comp	2,918	2,692	3,979	4,377
*** CATEGORY TOTAL ***		349,137	380,558	416,720	439,652
OTHER SERVICES & CHARGES					
01-536-2012	Automobile Mileage	732	959	1,020	900
01-536-2024	Historical Committee	0			
01-536-2025	Telephones	3,225	4,065	5,600	5,600
01-536-2027	Internet	974	3,901	4,000	4,000
01-536-2032	Historical Committee	1,388	79	3,000	4,691
01-536-2130	Memberships/Subs.	746	744	900	900
01-536-2133	Credit Card Fees	2,429	2,504	2,300	2,300
01-536-2135	Periodicals	1,133	1,007	1,500	1,500
01-536-2138	Postage	1,894	2,400	2,800	1,800
01-536-2150	Travel & Training	3,358	5,872	8,050	6,797
01-536-2155	Uniforms	-	61		
01-536-2160	Utilities-Elec Library	14,405	14,657	15,000	16,647
*** CATEGORY TOTAL ***		30,284	36,249	44,170	45,135
MAINTENANCE					
01-536-2505	Building	0	0	500	500
01-536-2520	Equipment Maint.	282	551		
01-536-2525	Furniture & Fixtures	1,174	1,297	14,780	3,754
01-536-2534	Software & Licenses	15,489	9,233	9,500	10,679
01-536-2535	Office Machines	6,039	6,243	6,000	6,000
*** CATEGORY TOTAL ***		22,983	17,324	30,780	20,933
SUPPLIES					
01-536-3011	Audio Visual	1,514	1,187	2,400	3,500
01-536-3015	Book Processing	876	1,552	2,300	2,300
01-536-3021	Books	9,065	9,461	16,000	16,000
01-536-3027	Interlocal Agreement	3,680	14,972	15,000	14,500
01-536-3041	Equipment	-	4,987	-	-
01-536-3050	Office Supplies	3,168	3,542	5,000	5,000
01-536-3051	Cafe Supplies	15,277	14,766	19,665	19,665
01-536-3052	Events	1,126	2,805	7,219	7,725

*** CATEGORY TOTAL ***

34,705	53,273	67,584	68,690
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CAPITAL OUTLAY

01-536-4010 Capital Outlay

95,142	300		35,500
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*** CATEGORY TOTAL ***

95,142	300	0	35,500
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*** DEPARTMENT TOTAL ***

532,252	487,704	559,254	609,909
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**SANITATION
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-538-1010	Full-Time Employees	172,349	190,312	227,406	228,599
01-538-1080	Overtime	60	85	600	600
01-538-1100	Pension Contribution	24,128	31,584	38,624	35,732
01-538-1120	Social Security	12,951	14,574	17,442	17,534
01-538-1140	Unemployment	1,172	-	0	
01-538-1160	Health & Life Insurance	19,227	22,320	24,987	28,147
01-538-1180	Workers Comp	0	0	664	730
*** CATEGORY TOTAL ***		229,886	258,875	309,723	311,342
OTHER SERVICES & CHARGES					
01-538-2044	Contractual Services	1,503,948	1,499,702	1,300,000	1,600,000
*** CATEGORY TOTAL ***		1,503,948	1,499,702	1,300,000	1,600,000
CAPITAL OUTLAY					
01-538-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		1,733,835	1,758,577	1,609,723	1,911,342

**DOME SHELTER
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
01-539-1010	Full Time Employees	95,352	101,148	107,845	115,997
01-539-1015	Car Allowance	0			
01-539-1030	Temp Employees	55,035	69,589	102,046	102,044
01-539-1080	Overtime	0	20		
01-539-1100	Pension Contribution	13,465	16,591	18,269	18,084
01-539-1120	Social Security	11,521	13,066	16,057	16,680
01-539-1140	Unemployment Comp	0	0		
01-539-1160	Health & Life Ins	11,057	12,709	12,749	13,246
01-539-1180	Workers Comp	2,191	983	2,140	2,354
*** CATEGORY TOTAL ***		188,620	214,105	259,106	268,405
OTHER SERVICES & CHARGES					
01-539-2012	Automobile Mileage	1,687	1,448	3,000	1,500
01-539-2025	Telephone	1,291	1,682	3,500	3,500
01-539-2026	Cell Phone	429	472	1,200	1,200
01-539-2027	Internet	5,425	5,427	6,000	6,000
01-539-2080	Equipment Rental/Lease	0	0		
01-539-2130	Membership/Subs	(14)	-		
01-539-2138	Postage	8	-		
01-539-2140	Recreational Prog.	12,941	15,936	20,000	30,000
01-539-2150	Travel & Training	0	0		
01-539-2155	Uniforms	0	317	1,500	1,500
01-539-2160	Utilities	11,194	14,198	23,000	30,747
*** CATEGORY TOTAL ***		32,961	39,479	58,200	74,447
MAINTENANCE					
01-539-2520	Equipment Maint.	375	375	630	500
01-539-2525	Furniture & Fixtures	52	-		1,000
01-539-2535	Office Machines	2,914	1,610	3,200	3,200
*** CATEGORY TOTAL ***		3,342	1,985	3,830	4,700
SUPPLIES					
01-539-3030	Janitorial/Cleaning	245	267	600	500
01-539-3050	Office Supplies	1,129	523	1,800	1,800
01-539-3060	Safety	-	-	600	500
*** CATEGORY TOTAL ***		1,374	790	3,000	2,800
CAPITAL OUTLAY					
01-539-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		226,297	256,359	324,136	350,351

**NON-DEPARTMENTAL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES		0	0	0	0
01-540-2010	Advertising	17,812	18,783	20,000	20,000
01-540-2020	Audit Fees	31,920	28,928	35,000	50,000
01-540-2021	Bad Debt Expense Customer A/R	14,974	-	20,000	20,000
01-540-2027	Internet	0	0	6,500	-
01-540-2029	Cash Short/Over	21	6	100	100
01-540-2041	Contingency	0	0	51,000	60,331
01-540-2042	Cont'L Svcs- Humane Soc	54,730	35,055	37,000	90,000
01-540-2044	Contractual Services	108,866	97,656	100,000	100,000
01-540-2049	Contribution-Vida	25,000	18,750	25,000	25,000
01-540-2055	Contributions-Amigos Del Va	5,000	-	5,000	5,000
01-540-2056	Contributions-Xmas Banquet	2,989	5,048	5,000	6,000
01-540-2057	Contributions-Christmas Dec	0	0	0	0
01-540-2058	Contributions-Chamber	16,000	16,000	20,000	20,000
01-540-2059	Contributions-Xmas Parade	1,278	1,568	3,000	3,000
01-540-2061	Contributions-Mercedes Bask	20,000	20,000	20,000	20,000
01-540-2062	Keep Mercedes Beautiful	0	5,000	10,000	10,000
01-540-2065	Contributions-To Others	8,000	8,000	10,000	10,000
01-540-2066	Contributions-Parade Livest	491	2,806	3,000	3,000
01-540-2067	Contributions-Lrgvdc Trans	33,000	33,000	30,000	33,000
01-540-2070	Election Costs	0	0	45,000	50,000
01-540-2073	Vacation Buyback	0	0	15,000	15,000
01-540-2075	Engineering Fees	146,917	184,741	170,000	170,000
01-540-2079	One Time Pay Raise	0	0	30,000	30,000
01-540-2081	Community Events	36,924	44,007	60,000	60,000
01-540-2082	Contributions-Thanksgiving	3,374	3,944	4,000	4,000
01-540-2089	Election Costs	48,778	-	0	0
01-540-2090	Hidalgo Co Appraisal Dist	61,778	57,220	67,000	100,000
01-540-2101	Insurance-Liability	28,262	23,221	28,000	28,000
01-540-2102	Insurance-Deductible	5,500	1,000	15,000	15,000
01-540-2103	Insurance-Property	106,822	131,763	135,000	155,000
01-540-2104	Insurance-Vehicle	31,146	32,250	40,000	35,000
01-540-2106	Insurance-Health Claims	0	0	0	0
01-540-2107	Damage Claims	626	547	1,000	1,000
01-540-2108	Insurance-Law Enforcement	29,236	34,951	35,000	35,000
01-540-2125	Legal Fees	223,749	899,605	200,000	300,000
01-540-2130	Membership/Subs.	222	210	200	200
01-540-2133	Bank/Credit Card Fees	0	299		200
01-540-2137	Physical & Other Expense	9,506	9,935	10,000	8,000
01-540-2139	Professional Services	45,549	30,584	40,000	40,000
01-540-2144	HCAD Fees	693	316	400	400
01-540-2145	Fixed Asset Inventory Fees	0	0		
01-540-2146	Hidalgo Co Tax Office	23,028	23,028	24,000	24,000

ACCOUNT ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
01-540-2147	Tax Coll Fees-Delinq Tax At	(38,666)	55,311	50,000	50,000
01-540-2149	Taxes on Gifted Property		742		
01-540-2160	Utilities-Elect St Lights	206,072	222,867	165,000	233,600
01-540-2204	Transfer Out	12,397	-	100,000	100,000
01-540-2212	Tirz Contribution	786,877	-		
01-540-2215	Project Residency	0	0		
01-540-2216	Economic Development Cont.	216,500	50,000	1,000,000	50,000
*** CATEGORY TOTAL ***		2,325,370	2,097,141	2,635,200	1,979,831
SUPPLIES					
01-540-3060	Write Off Receivables	0	0	0	0
01-540-3550	Write Offs	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
CAPITAL OUTLAY					
01-540-4011	Land for Economic Development	82,076	138,803		
01-540-4015	Capital Outlay	50,000	1,159,559	910,000	528,237
*** CATEGORY TOTAL ***		132,076	1,298,361	910,000	528,237
DEBT SERVICE					
01-540-5010	Revolving Credit Interest	0	0	0	0
01-540-5066	VTX Obligation	125,000	125,000	125,000	125,000
01-540-5067	Outlet Mall	500,000	500,000	500,000	2,744,000
01-540-5068	Revolving Credit Fees	0	0	0	0
01-540-5069	Principal Lease Equipment	0	0	0	0
01-540-5071	Interest Lease Equipment	0	0	0	0
*** CATEGORY TOTAL ***		625,000	625,000	625,000	2,869,000
*** DEPARTMENT TOTAL ***		3,082,446	4,020,503	4,170,200	5,377,068



UTILITY FUND

Proposed Budget

**CITY OF MERCEDES
UTILITY FUND
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
REVENUE SUMMARY				
<u>WATER AND SEWER SALES</u>	6,315,387	6,355,889	6,262,823	6,450,708
<u>FEES & PENALTIES</u>	476,857	544,989	489,150	503,825
<u>MISCELLANEOUS</u>	1,134,859	3,820,663	82,000	84,960
*** TOTAL REVENUES ***	7,927,102	10,721,540	6,833,973	7,039,492
EXPENDITURE SUMMARY				
<u>19-INFORMATION TECHNOLOGY</u>	109,014	75,890	141,539	129,266
<u>20-UTILITY BILLING</u>	161,005	200,648	193,687	191,999
<u>25-METER READERS</u>	110,302	375,704	504,993	549,807
<u>30-WATER/SEWER FIELD CREW</u>	627,175	788,371	926,093	1,138,482
<u>35-WATER/SEWER TREATMENT</u>	3,686,065	3,109,281	3,040,328	3,040,328
<u>40-DEBT SERVICE</u>	217,641	207,371	1,381,333	1,356,332
<u>45-NON-DEPARTMENTAL</u>	1,587,201	2,007,629	646,000	633,277
*** TOTAL EXPENDITURES ***	6,498,404	6,764,894	6,833,973	7,039,492
** REVENUES OVER(UNDER)				
EXPENDITURES **	1,428,698	3,956,647	0	0

**CITY OF MERCEDES
REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
WATER AND SEWER SALES					
02-42000	Water Sales	3,401,425	3,508,571	3,554,015	3,660,635.45
02-42020	Sewer Sales	2,912,919	2,818,427	2,696,808	2,777,712
02-42022	Sewer Sales North Alamo	0	0	0	0
02-42024	Sewer Sales - Industrial	1,042	28,890	12,000	12,360
** REVENUE CATEGORY TOTAL **		6,315,387	6,355,889	6,262,823	6,450,708
FEES AND PENALTIES					
02-42112	Water Meter Fees	91,380	78,078	100,000	103,000
02-42120	Water-Late Fees	170,976	180,717	160,000	164,800
02-42131	Tampering Fees	2,000	545	0	0
02-42140	Meter Recheck Fee	70	140	150	155
02-42160	Subdivison Water Tap	28,822	22,024	20,000	20,600
02-42161	Water Rights	95,540	217,184	165,000	169,950
02-42165	Labor & Material Fees	3,416	5,738	4,000	4,120
02-42170	Capital Improvement Fee	(6)	(2)	0	-
02-42180	Reconnect Charges	37,239	40,564	40,000	41,200
02-42181	Disconnect Chares	47,419	0	0	-
** REVENUE CATEGORY TOTAL **		476,857	544,989	489,150	503,825
MISCELLANEOUS					
02-44000	Tampering Fees	0	500	0	500
02-44020	Interest Earned	20,312	141,958	50,000	51,500
02-44030	Misc Revenue	1,080	212,720	2,000	2,060
02-44035	Other Finance Sources	0	0	0	-
02-44036	Settlement Proceeds	10,000	35,000	30,000	30,900
02-44070	Sale of Fixed Assets	0	0	0	-
02-44085	Transfer In	1,103,467	3,430,485	0	-
** REVENUE CATEGORY TOTAL **		1,134,859	3,820,663	82,000	84,960
**TOTAL REVENUES **		7,927,102	10,721,540	6,833,973	7,039,492

**CITY OF MERCEDES
INFORMATION TECHNOLOGY
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
MAINTENANCE					
02-519-2519	IT-Utility Billing	51,839	41,618	58,539	61,466
02-519-2522	IT-Meter Readers	20,179	0	16,000	16,800
02-519-2530	It-Water/Sewer	0	1,897	0	1,000
02-519-2534	IT Software License	36,996	32,374	67,000	50,000
02-519-2545	It-Non Depart	0	0	0	0
*** CATEGORY TOTAL ***		109,014	75,890	141,539	129,266
*** DEPARTMENT TOTAL ***		109,014	75,890	141,539	129,266

**CITY OF MERCEDES
UTILITY BILLING
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	FY25 Budgeted	FY26 Proposed
PERSONNEL COSTS					
02-520-1010	Full-Time Employees	80,928	106,422	100,494	98,407
02-520-1030	Temp-Employees	0	0	0	-
02-520-1080	Overtime	0	80	0	-
02-520-1100	Pension Contribution	11,445	17,055	17,108	15,342
02-520-1120	Social Security	5,681	7,716	7,726	7,528
02-520-1140	Unemployment Comp	0	0	0	-
02-520-1160	Health & Life Insurance	16,590	19,820	19,123	21,383
02-520-1180	Workers Comp	597	668	1,036	1,140
*** CATEGORY TOTAL ***		115,242	151,759	145,487	143,799
OTHER SERVICES & CHARGES					
02-520-2010	Advertising	0	0	0	-
02-520-2025	Telephone	1,685	1,450	1,800	1,800.00
02-520-2026	Cell Phones	0	0	0	-
02-520-2027	Internet	1,198	1,199	1,500	1,500.00
02-520-2130	Memberships / Subscriptions	0	0	0	-
02-520-2133	Bank/Credit Fees	0	0	0	-
02-520-2138	Postage	31,810	35,074	30,000	30,000.00
02-520-2141	Cash Short/Over	(28)	0	100	100.00
02-520-2150	Travel & Training	1,194	400	2,000	2,000.00
*** CATEGORY TOTAL ***		35,859	38,123	35,400	35,400
MAINTENANCE					
02-520-2525	Furniture / Fixtures	588	483	2,000	500.00
02-520-2535	Office Machine	1,944	2,428	2,300	2,300.00
*** CATEGORY TOTAL ***		2,532	2,910	4,300	2,800
SUPPLIES					
02-520-3050	Office	7,371	7,855	8,500	10,000.00
*** CATEGORY TOTAL ***		7,371	7,855	8,500	10,000
CAPITAL OUTLAY					
02-520-4010	Capital Outlay	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		161,005	200,648	193,687	191,999

**CITY OF MERCEDES
METER READERS
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
02-525-1010	Full-Time Employees	55,612	55,048	84,458	95,035.00
02-525-1030	Temp-Employees	0	0	0	
02-525-1080	Overtime	0	26	1,000	1,000.00
02-525-1100	Pension Contribution	8,036	8,595	14,477	14,971.86
02-525-1120	Social Security	4,212	4,171	6,538	7,346.68
02-525-1140	Unemployment Comp	0	1,821	0	
02-525-1160	Health & Life Insurance	7,912	10,193	19,123	21,382.92
02-525-1180	Workers Comp	1,435	47	428	470.80
*** CATEGORY TOTAL ***		77,208	79,901	126,024	140,207
OTHER SERVICES & CHARGES					
02-525-2025	Telephone	0	0	0	-
02-525-2026	Cell Phones	0	383	1,200	800.00
02-525-2027	Internet	2,679	2,271	3,000	3,000.00
02-525-2130	Memberships/Subs.	0	0	0	-
02-525-2150	Travel & Training	0	0	0	-
02-525-2155	Uniforms	1,217	1,352	2,000	2,000.00
*** CATEGORY TOTAL ***		3,896	4,006	6,200	5,800
MAINTENANCE					
02-525-2520	Equipment	0	0	0	-
02-525-2557	System Improvements	21,197	285,615	364,469	350,000.00
02-525-2560	Vehicles/General Repairs	2,929	1,180	3,000	3,000.00
*** CATEGORY TOTAL ***		24,126	286,795	367,469	353,000
SUPPLIES					
02-525-3025	Fuel / Diesel	4,154	3,760	4,000	4,500.00
02-525-3045	Minor Tools	836	790	1,000	1,000.00
02-525-3050	Office	83	0	100	100.00
02-525-3056	Supplies	0	68	100	100.00
02-525-3060	Safety	0	384	100	100.00
*** CATEGORY TOTAL ***		5,073	5,002	5,300	5,800
CAPITAL OUTLAY					
02-525-4010	Capital Outlay	0	0	0	45,000.00
*** CATEGORY TOTAL ***		0	0	0	45,000
*** DEPARTMENT TOTAL ***		110,302	375,704	504,993	549,807

**CITY OF MERCEDES
WATER/SEWER FIELD CREW
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
02-530-1010	Full-Time Employees	270,365	238,373	285,439	327,805
02-530-1011	Regular-Livestock Event	0	55	0	
02-530-1012	Regular-Texas Street Fest	227	0	0	
02-530-1030	Temp-Employees	0	0	0	
02-530-1080	Overtime	35,078	31,442	40,000	40,000
02-530-1081	Overtime-Livestock Event	480	261	0	
02-530-1082	Overtime-Texas Street Fest	161	0	0	
02-530-1100	Pension Contribution	45,518	43,212	49,155	51,989
02-530-1120	Social Security	23,229	20,620	24,824	28,137
02-530-1140	Unemployment Comp	1,069	0	0	
02-530-1160	Health & Life Insurance	44,165	49,538	58,707	65,646
02-530-1180	Workers Comp	7,037	6,942	8,968	9,865
*** CATEGORY TOTAL ***		427,330	390,443	467,093	523,441
OTHER SERVICES & CHARGES					
02-530-2025	Telephones	1,175	725	1,000	1,000.00
02-530-2026	Cell Phones	1,073	2,833	2,900	2,625.00
02-530-2027	Internet	1,252	881	100	315.00
02-530-2130	Memberships/Subs	0	0	0	-
02-530-2150	Travel & Training	357	0	1,000	1,000.00
02-530-2155	Uniforms	5,588	6,005	6,000	9,461.00
*** CATEGORY TOTAL ***		9,445	10,444	11,000	14,401
MAINTENANCE					
02-530-2520	Equipment Maint.	18,131	22,534	45,000	63,006.00
02-530-2080	Equipment Rental	909	0	0	9,634.00
02-530-2557	System Improvements	125,495	312,403	300,000	420,000.00
02-530-2560	Vehicles-General Repairs	5,557	10,381	30,000	30,000.00
*** CATEGORY TOTAL ***		150,091	345,319	375,000	522,640
SUPPLIES					
02-530-3020	Chemicals	0	0	1,000	1,000.00
02-530-3025	Fuel / Diesel	20,573	20,618	30,000	40,000.00
02-530-3041	Equipment	11,598	3,430	20,000	15,000.00
02-530-3045	Minor Tools	2,729	10,075	10,000	10,000.00
02-530-3056	Supplies	1,690	339	2,000	2,000.00
02-530-3060	Safety	3,718	7,703	10,000	10,000.00
02-530-3100	Equipment	0	0	0	0
*** CATEGORY TOTAL ***		40,308	42,166	73,000	78,000
CAPITAL OUTLAY					
02-530-4010	Capital Outlay	0	0	0	
*** CATEGORY TOTAL ***		0	0	0	0
*** DEPARTMENT TOTAL ***		627,175	788,371	926,093	1,138,482

**CITY OF MERCEDES
WATER/SEWER TREATMENT PLANTS
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
02-535-2025	Telephone	786	613	800	800
02-535-2044	Contractual Services	2,710,941	2,475,359	1,642,763	1,642,763
02-535-2148	Testing Fees	13,861	7,068	10,000	10,000
02-535-2160	Utilities - Electricity	304,865	329,682	270,000	270,000
02-535-2161	Utilities-Water	11,280	11,743	9,000	9,000
02-535-2180	Permits	40,920	41,325	55,000	55,000
02-535-2181	Lift Station Scada	39,888	19,944	20,000	20,000
02-535-2195	Water Purchases	100,930	173,406	150,000	150,000
*** CATEGORY TOTAL ***		3,223,471	3,059,140	2,157,563	2,157,563
MAINTENANCE					
02-535-2520	Equipment	0	0	0	-
02-535-2531	Chemical	134,609	0	364,898	364,898
02-535-2540	Sludge Hauling	201,640	0	303,357	303,357
02-535-2557	System Improvements	126,346	17,244	214,510	214,510
*** CATEGORY TOTAL ***		462,594	17,244	882,765	882,765
CAPITAL OUTLAY					
02-535-4010	Capital Outlay	0	32,897	0	0
*** CATEGORY TOTAL ***		0	32,897	0	0
*** DEPARTMENT TOTAL ***		3,686,065	3,109,281	3,040,328	3,040,328

**CITY OF MERCEDES
DEBT SERVICE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
02-540-2024	Compensated Absences	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
DEBT SERVICE					
02-540-5000	Bond Fees	2,500	2,825	0	5,000
02-540-5055	Bond Issue Costs	0	0	0	0
02-540-5056	(Gain)/Loss On Refunding	0	0	0	0
02-540-5057	Amort Of Bond Premium	(8,948)	0	0	0
02-540-5090	Bond Fees	0	0	5,000	0
02-540-6002	Series 2006 Principal	0	0	65,000	45,000
02-540-6003	Series 2013 TWDB Principal	0	0	165,000	170,000
02-540-6006	Series 2010A	0	0	0	0
02-540-6010	Series 2008	0	0	0	0
02-540-6012	Series 2013 REFD Interest	2,546	934	935	0
02-540-6014	Series 2013 TWDB Interest	34,833	32,684	32,962	27,804
02-540-6016	Series 2013 REF Principal	0	0	0	0
02-540-6017	Series 2016 REF Principal	0	0	364,650	376,350
02-540-6018	Series 2016 REF Interest	97,508	83,722	71,165	56,345
02-540-6019	Series 2021 Principal	0	0	87,750	92,250
02-540-6020	Series 2021 Interest	89,203	87,205	85,361	83,156
02-540-6021	Series 2024 Principal	0	0	125,000	40,000
02-540-6022	Series 2024 Interest	0	0	378,510	232,400
02-540-6023	Series 2025 Principal	0	0	0	0
02-540-6024	Series 2025 Interest	0	0	0	228,027
*** CATEGORY TOTAL ***		217,641	207,371	1,381,333	1,356,332
*** DEPARTMENT TOTAL ***		217,641	207,371	1,381,333	1,356,332

**CITY OF MERCEDES
NON-DEPARTMENTAL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
02-545-2010	Advertising	0	0	0	-
02-545-2020	Audit Fees	24,080	21,823	30,000	40,000.00
02-545-2021	Bad Debt Expense Customer A/R	22,277	0	20,000	20,000.00
02-545-2024	Compensated Absences	(1,810)	0	0	-
02-545-2040	Contingency	0	0	100,000	68,277.00
02-545-2045	Contractual Services	0	0	0	-
02-545-2047	North Alamo Fees	867	181	1,000	1,000.00
02-545-2075	Engineering	1,815	88,498	100,000	100,000.00
02-545-2100	Insurance	71,276	86,119	90,000	99,000.00
02-545-2125	Legal Fees	0	0	0	-
02-545-2139	Professional Services	492	6,034	5,000	5,000.00
02-545-2155	Loss On Disposition Of Asse	0	0	0	-
*** CATEGORY TOTAL ***		118,996	202,655	346,000	333,277
SUPPLIES					
02-545-3550	Write Offs	0	0	0	-
*** CATEGORY TOTAL ***		0	0	0	0
CAPITAL OUTLAY					
02-545-4010	Capital Outlay	0	0	0	-
02-545-4050	GASB	0	0	0	-
*** CATEGORY TOTAL ***		0	0	0	0
DEBT SERVICE					
02-545-6001	Deperciation Expense Water	789,574	756,106	0	0
02-545-6002	Depreciation Expense Sewer	678,631	748,868	0	0
02-545-6013	Transfer to GL	0	300,000	300,000	300,000
02-545-6014	Contribution To Cash	0	0	0	0
02-545-6015	Transfer Out	0	0	0	0
*** CATEGORY TOTAL ***		1,468,205	1,804,974	300,000	300,000
*** DEPARTMENT TOTAL ***		1,587,201	2,007,629	646,000	633,277



KMB FUND

Proposed Budget

**CITY OF MERCEDES
KEEP MERCEDES BEAUTIFUL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Adopted Budget	Decrease / Increase	% Change
REVENUE SUMMARY						
<u>INTERGOVERNMENTAL</u>	0	5,000	10,000	10,000	0	0%
<u>MISCELLANEOUS</u>	5,055	5,000	0	0	0	#DIV/0!
*** TOTAL REVENUES ***	5,055	10,000	10,000	10,000	0	0%
EXPENDITURE SUMMARY						
<u>20-KMB</u>	5,055	1,743	10,000	10,000	0	0%
*** TOTAL EXPENDITURES ***	5,055	1,743	10,000	10,000	0	0%
** REVENUES OVER(UNDER) EXPENDITURES **	0	8,257	0	0	0	0%

**CITY OF MERCEDES
REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Adopted Budget	Decrease / Increase	% Change
INTERGOVERNMENTAL							
43000	KMB-City Contribution	0	0	10,000	10,000	0	0%
43210	Trees for Texas Grant	0	5,000	0	0	0	#DIV/0!
** REVENUE CATEGORY TOTAL **		0	5,000	10,000	10,000	0	0%
MISCELLANEOUS							
44020	Interest Earned	0	0	0	0	0	#DIV/0!
44030	Misc. Revenue	500	5,000	0	0	0	#DIV/0!
44085	Transfer In	4,555	0	0	0	0	#DIV/0!
** REVENUE CATEGORY TOTAL **		5,055	5,000	0	0	0	#DIV/0!
**TOTAL REVENUES **		5,055	10,000	10,000	10,000	0	0%

**CITY OF MERCEDES
KEEP MERCEDES BEAUTIFUL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed Budget	Decrease / Increase	% Change
OTHER SERVICES & CHARGES							
520-2010	Litter Law Clean-Up	11		500	500	0	0%
520-2020	Education/Outreach	20		1,000	1,500	500	50%
520-2030	KTB Annual Conference	2,578	455	3,000	0	(3,000)	-100%
520-2040	Comm. Leadership & Cord.	1,454		2,000	1,500	(500)	-25%
520-2050	Beautification & Comm. Impr.	0		2,000	1,500	(500)	-25%
520-2060	Signs/Advertising	0		100	1,000	900	900%
520-2065	Contributions				500	500	#DIV/0!
520-2070	KMB Affiliate Dues	200	200	200	200	0	0%
520-2080	Public Awareness	732		150	150	0	0%
520-2100	Landscaping	0		800	800	0	0%
520-2110	Litter Law & Illegal Dumping	0		100	100	0	0%
520-2120	Volunteer/Team Members	60		150	150	0	0%
*** CATEGORY TOTAL ***		5,055	655	10,000	7,900	(2,600)	-26%
SUPPLIES							
520-3041	Equipment		573		1,600	1600	#DIV/0!
520-3051	Meals & Events		514		500	500	#DIV/0!
*** CATEGORY TOTAL ***		0	1,087	0	2,100	2,100	#DIV/0!
*** DEPARTMENT TOTAL ***		5,055	1,743	10,000	10,000	2,100	21%



I&S FUND

Proposed Budget

**CITY OF MERCEDES
INTEREST & SINKING
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
REVENUE SUMMARY				
<u>INTERGOVERNMENTAL</u>	2,403,468	2,507,698	2,397,987	2,517,886
<u>MISCELLANEOUS</u>	45,594	64,500	15,450	35,839
*** TOTAL REVENUES ***	2,449,062	2,572,198	2,413,437	2,553,725
EXPENDITURE SUMMARY				
<u>40-NON-DEPARMENTAL</u>	2,281,285	2,277,616	2,413,437	2,553,725
*** TOTAL EXPENDITURES ***	2,281,285	2,277,616	2,413,437	2,553,725
** REVENUES OVER(UNDER) EXPENDITURES **	167,777	294,583	0	0

**CITY OF MERCEDES
REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

		2025			
Account ID	Description	2023 Actual	2024 Actual	Budgeted	FY26 Proposed
TAXES					
15-40010	Advalorem Tax-General Fund	2,293,122	2,355,056	2,284,687	2,398,921
15-40025	Revenue - Deliquent	61,911	90,504	72,100	75,705
15-40035	Penalty & Interest	48,435	62,138	41,200	43,260
** REVENUE CATEGORY TOTAL **		2,403,468	2,507,698	2,397,987	2,517,886
MISCELLANEOUS					
15-44020	Interest Earned/Income	45,594	64,500	15,450	35,839
15-44030	Reserves	0		0	0
15-44035	Other Finance Resources	0		0	0
15-44074	Bond Series Proceeds	0		0	0
15-44085	Transfer In	0		0	0
15-45000	Urban County Revenue	0		0	0
15-45030	Transfer From Edc	0		0	0
** REVENUE CATEGORY TOTAL **		45,594	64,500	15,450	35,839
*** TOTAL REVENUES ***		2,449,062	2,572,198	2,413,437	2,553,725

**CITY OF MERCEDES
DEBT SERVICE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES		0	0	0	0
15-540-2133	Miscellaneous Fees	0	0	0	0
*** CATEGORY TOTAL ***		0	0	0	0
DEBT SERVICE					
15-540-5000	Bond Fees	2,000	1,775	5,000	5,000
15-540-5062	Transfer To Interest&Sinkin	0		124,227	0
15-540-5065	Interest & Sinking Reserve	0		0	0
15-540-6005	Series 2013 PPFCO Principal	160,000	165,000	170,000	170,000
15-540-6006	Series 2015 REF Principal	225,000	230,000	235,000	240,000
15-540-6007	Series 2015 Principal	190,000	195,000	200,000	210,000
15-540-6008	Series 2016 REF(2007) Principal	389,250	402,750	420,750	434,250
15-540-6009	Series 2016 REF(USDA) Principal	138,400	143,200	149,600	154,400
15-540-6010	Series 2018 Principal	395,000	405,000	425,000	440,000
15-540-6011	Series 2021 Principal	96,250	101,750	107,250	112,750
15-540-6104	Bond Issuance Costs	0	0	0	0
15-540-6114	Series 2013 PPFCO Interest	24,288	20,067	15,799	11,396
15-540-6115	2015 REF Interest	18,740	31,641	8,511	
15-540-6116	Series 2015 Interest	43,407	20,407	32,760	27,164
15-540-6117	Series 2016 REF(2007) Interest	114,424	98,584	82,114	65,014
15-540-6118	Series 2016 REF(USDA) Interest	40,685	35,052	29,196	23,116
15-540-6119	Series 2018 Interest	334,525	320,500	303,900	286,600
15-540-6120	Series 2021 Interest	109,316	106,890	104,330	101,635
15-540-6121	Series 2024 Principal	0	0	0	40,000
15-540-6122	Series 2024 Interest	0	0	0	232,400
*** CATEGORY TOTAL ***		2,281,285	2,277,616	2,413,437	2,553,725
*** DEPARTMENT TOTAL ***		2,281,285	2,277,616	2,413,437	2,553,725



HOTEL/MOTEL FUND Proposed Budget

**CITY OF MERCEDES
HOTEL/MOTEL
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
REVENUE SUMMARY				
<u>TAXES</u>	179,396	150,028	150,000	150,000
<u>MISCELLANEOUS</u>	28,861	35,199	36,500	58,250
*** TOTAL REVENUES ***	208,257	185,227	186,500	208,250
EXPENDITURE SUMMARY				
<u>40-NON-DEPARMENTAL</u>	132,571	134,260	186,500	208,250
*** TOTAL EXPENDITURES ***	132,571	134,260	186,500	208,250
** REVENUES OVER(UNDER) EXPENDITURES **	75,686	50,967	0	0

**CITY OF MERCEDES
REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
TAXES					
16-40090	Tx Gross Receipts-Hotel/Motel	179,396	150,028	150,000	150,000
** REVENUE CATEGORY TOTAL **		179,396	150,028	150,000	150,000
MISCELLANEOUS					
16-44010	Reserves	0	0	0	
16-44020	Interest Earned/Income	28,861	35,199	12,000	30,000
16-44030	Misc Revenue	0	0	0	
16-44036	Settlement Proceedes	0	0	0	
16-44037	Reserves	0	0	24,500	28,250
16-44085	Transfer In	0	0	0	
** REVENUE CATEGORY TOTAL **		28,861	35,199	36,500	58,250
*** TOTAL REVENUES ***		208,257	185,227	186,500	208,250

**CITY OF MERCEDES
EXPENDITURES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
16-540-2010	Advertising	89,529	101,360	109,100	118,750
16-540-2020	Convention Center	0		0	
16-540-2043	Historic Preservation	16,925	20,000	50,000	50,000
16-540-2050	Visitor Information Center	0		0	
16-540-2070	Arts Promotion	26,115	12,900	12,900	25,000
16-540-2080	Sporting Events	0		0	
16-540-2090	Upgrade Sports Facilities	0		0	
16-540-2100	Transportation System	0		0	
16-540-2110	Signage	0		14,500	14,500
16-540-2133	Bank Fees	2		0	
*** CATEGORY TOTAL ***		132,571	134,260	186,500	208,250
*** DEPARTMENT TOTAL ***		132,571	134,260	186,500	208,250



EMS FUND

Proposed Budget

**CITY OF MERCEDES
EMS FUND
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
REVENUE SUMMARY				
<u>FINES AND SERVICES</u>	687,934	588,849	600,000	500,000
<u>INTERGOVERNMENTAL</u>	53,206	24,923	120,000	50,000
<u>MISCELLANEOUS</u>	3,603	17,908	162,763	5,500
*** TOTAL REVENUES ***	744,744	631,680	882,763	555,500
EXPENDITURE SUMMARY				
<u>10-EMS</u>	376,902	423,553	682,763	555,000
<u>20-PARAMEDIC COURSE</u>	75,117	30,988	0	0
<u>40-NON-DEPARMENTAL</u>	216,038	225,923	200,000	500
*** TOTAL EXPENDITURES ***	668,057	680,464	882,763	555,500
** REVENUES OVER(UNDER) EXPENDITURES **	76,687	(48,785)	0	(0)

**CITY OF MERCEDES
REVENUES
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
FINES AND SERVICES					
46-42010	Ems Service Fees	687,934	588,849	600,000	500,000
** REVENUE CATEGORY TOTAL **		687,934	588,849	600,000	500,000
INTERGOVERNMENTAL					
46-43000	Stimulus Pmt	0	0	0	0
46-43003	County EMS Services	45,833	33,333	50,000	50,000
46-43004	Paramedic Course-Reimb.	7,372	(8,410)	70,000	0
** REVENUE CATEGORY TOTAL **		53,206	24,923	120,000	50,000
MISCELLANEOUS					
46-44010	Professional Services	0	0	0	0
46-44019	Insurance Proceeds	947	0	0	0
46-44020	Interest Earned	2,406	17,458	0	5,500
46-44030	Miscellaneous Revenue	250	450	0	0
46-44067	Reserves	0	0	162,763	0
46-44085	Transfer In	0	0	0	0
** REVENUE CATEGORY TOTAL **		3,603	17,908	162,763	5,500
**TOTAL REVENUES **		744,744	631,680	882,763	555,500

**CITY OF MERCEDES
EMS
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
PERSONNEL COSTS					
46-510-1010	Full-Time Employees	63,711	109,158	120,000	178,375
46-510-1080	Overtime		0	0	0
46-510-1100	Pension Contribution	9,052	16,684	17,109	27,809
46-510-1120	Social Security	4,866	8,233	7,727	13,646
46-510-1160	Health & Life Insurance	0	0	0	0
46-510-1180	Workers Comp	0	0	0	0
*** CATEGORY TOTAL ***		77,630	134,075	144,836	219,829
OTHER SERVICES & CHARGES					
46-510-2027	Internet	3,317	3,222	3,000	3,500
46-510-2044	Contractual Services	161,216	149,490	177,000	150,171
46-510-2080	Equipment Rental	0	0	0	0
46-510-2130	Membership & Subs	2,282	1,918	3,000	4,000
46-510-2138	Postage	918	720	1,500	1,000
46-510-2150	Travel & Training	2,808	4,478	10,000	12,000
46-510-2155	Uniforms	12,558	14,925	16,000	22,000
*** CATEGORY TOTAL ***		183,099	174,753	210,500	192,671
MAINTENANCE					
46-510-2505	Building Maintenance	0	307	0	0
46-510-2510	Computer Equipment	0	0	0	0
46-510-2520	Equipment Maint.	0	199	1,000	1,000
46-510-2525	Furniture & Fixtures	0	1,009	3,500	3,500
46-510-2532	Vehicle Maintenance	0	35,502	15,000	18,000
46-510-2534	Software & Licenses	0	9,776	11,000	12,000
46-510-2550	Radios	0	5,501	8,500	9,000
*** CATEGORY TOTAL ***		0	52,294	39,000	43,500
SUPPLIES					
46-510-3025	Fuel / Diesel	17,811	12,987	18,000	15,000
46-510-3040	Medical Supplies	49,320	41,948	55,000	60,000
46-510-3041	Equipment Supplies	1,827	4,671	18,000	15,000
46-510-3043	Training Supplies	4,968	0	2,500	2,500
46-510-3045	Minor Tools	0	0	0	0
46-510-3050	Office Supplies	1,436	785	2,500	2,500
46-510-3051	Meals & Events	283	865	1,500	1,500
46-510-3057	Public Education	0	1,175	1,500	1,500
46-510-3060	Safety Supplies	0	0	800	1,000
*** CATEGORY TOTAL ***		75,645	62,431	99,800	99,000
CAPITAL OUTLAY					
46-510-4010	Capital Outlay	40,529	0	188,627	0
*** CATEGORY TOTAL ***		40,529	0	188,627	0
*** DEPARTMENT TOTAL ***		376,902	423,553	682,763	555,000

**CITY OF MERCEDES
PARAMEDIC COURSE
BUDGET SUMMARY
FISCAL YEAR 2025-2026**

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
46-520-2044	Contractual Services	45,238	7,420	0	0
46-520-2150	Travel & Training	29,879	23,568	0	0
*** CATEGORY TOTAL ***		75,117	30,988	0	0
*** DEPARTMENT TOTAL ***		75,117	30,988	0	0

CITY OF MERCEDES
NON-DEPARTMENTAL
BUDGET SUMMARY
FISCAL YEAR 2025-2026

Account ID	Description	2023 Actual	2024 Actual	2025 Budgeted	FY26 Proposed
OTHER SERVICES & CHARGES					
46-540-2021	Bad Debt Expense	216,038	225,923	200,000	500
46-540-2200	Transfer to Reservers	0	0	0	0
46-540-2204	Transfer Out To Gf	0	0	0	0
*** CATEGORY TOTAL ***		216,038	225,923	200,000	500
*** DEPARTMENT TOTAL ***		216,038	225,923	200,000	500

RESOLUTION NO. 2025-19

A RESOLUTION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD DRINKING WATER STATE REVOLVING FUND FOR CONSTRUCTING VARIOUS PUBLIC IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM; AUTHORIZING THE CITY'S FINANCIAL ADVISORS, BOND COUNSEL, AND ENGINEERS TO COORDINATE THE SUBMISSION OF THE APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Mercedes, Texas (the *City*) deems it necessary to apply to the Texas Water Development Board (the *Board*) for financial assistance; and

WHEREAS, in accordance with the rules and regulations of the Board, which govern the procedures in making such an application, the governing body of the City is required to pass a resolution to accompany such application; now, therefore,

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

1. It is hereby found and determined that the City cannot reasonably finance the proposed project without the financial assistance of the Board in the amount requested.

2. The City hereby requests that the Board grant financial assistance to the City in the amount not to exceed \$20,000,000 (as a loan or by the purchase of obligations of the City and the receipt of the largest amount of grant funds lawfully available from the Board) for constructing improvements to the City's utility system, as designed by the City's consulting engineer, and the purchase of the necessary land and rights-of-way relating to this project. These obligations may be issued by the City in one or more series.

3. The Mayor of the City is hereby authorized to execute and submit to the Board the application for such financial assistance, and the Mayor of the City, together with the bond counsel, financial advisors and consulting engineers named in such application, are authorized to appear before the Board in support of such application.

4. The Mayor of the City is further specifically authorized to make the required assurances to the Board in accordance with the rules, regulations, and policies of the Board.

5. A certified copy of this resolution (the *Resolution*) shall be attached to the application for financial assistance herein authorized to be prepared and submitted to the Board, and the City Secretary of the City is authorized and directed to prepare and certify such number of copies of this Resolution as may be required for purposes of supporting the submission of such application to the Board.

6. The City Commission authorizes the Mayor or Mayor Pro Tem of the City Commission, the City Attorney, or the City Secretary of the City, or the designee of any of the foregoing, to take all actions necessary to execute any necessary financial advisory contract with

Estrada Hinojosa & Company, Inc., San Antonio, Texas, as the financial advisor to the City (the *Financial Advisor*) and Freese and Nichols, Inc., San Antonio, Texas, as the engineer to the City (the *Engineer*). The City Commission understands that under applicable federal securities laws and regulations that the City must have a contractual agreement with its Financial Advisor relating to the sale, issuance, and delivery of the Bonds. In addition, the City Commission also authorizes the Mayor or Mayor Pro Tem of the City Commission, the City Attorney, or the City Secretary of the City, or the designee of any of the foregoing, to take all actions necessary to execute any necessary engagement agreement with the Engineer and with Norton Rose Fulbright US LLP, as the bond counsel to the City (*Bond Counsel*). Execution of such engagement agreements also constitute a prerequisite to the City's filing of its application with the Board.

7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City.

8. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

10. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Resolution would have been enacted without such invalid provision.

11. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

12. This Resolution shall be in full force and effect from and after its passage on the date shown below.

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PASSED, APPROVED, AND ADOPTED on the 2nd day of September, 2025.

CITY OF MERCEDES, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)