MERCEDES CITY COMMISSION
REGULAR MEETING
NOVEMBER 18, 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
Jonas Gonzalez, Asst. City Manager
Meredith Hernandez, Finance Director
Francisco Sanchez, Police Chief
Michael Rocha, I.T Director
Tom Villagomez, Public Works Director
Marisol Vidales, Library Director
Kristine Longoria, Human Resources
Denisse Hernandez, Planning Director

OTHERS PRESENT: Juan Vasquez

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**
   The invocation was given by Mayor Pro-Tem Saldana.

4. **Pledge of Allegiance**
   The Pledge of Allegiance was led by Leandro Villarreal.

5. **Open Forum**
   Ms. Itaty Perez addressed the Commission regarding signage and street improvements on Chacoma Place. She noted that the road is currently unpaved and consists of caliche, and she requested a more durable and reliable solution. Ms. Perez also highlighted that the City had previously committed to filling the potholes.

6. Presentation

a. Proclamation for Abrianna Galindo

Mayor Montoya congratulated Ms. Abrianna Galindo and presented a proclamation designating December 3, 2025, as Abrianna Galindo Day. Ms. Galindo will represent the City of Mercedes in the Pearl Harbor Parade in Honolulu, Hawaii. She shared a few words about the importance of honoring her culture and representing the City. Mayor Montoya again congratulated Ms. Galindo, commending her for setting a positive example and recognizing the meaningful impact of her contributions to the community.

7. Consent Agenda

a. Approval of Minutes for Meeting(s) held October 21, 2025

b. Second and Final Reading of Ordinance 2025-31 - Fire Hydrants

c. Second and Final Reading of Ordinance 2025-34 amending Chapter 4 "Business Regulations" of the Code of Ordinances to add a new section, Article 4.13 entitled "Business License"

d. Second and Final Reading of Ordinance 2025-35 amending Chapter 3, "Building Regulations" of the Code of Ordinances to add new Articles 3.10 and 3.11, Entitled "Acquisition, Disposition, and/or Use of City Property"

e. Approval to surplus Fire Department 2006 Brush Truck - Brush 2

f. Approval to donate the Fire Department 2006 Brush Truck

Commissioner Martinez made a motion to approve all items on the consent agenda and to forego the second readings for items B, C, and D. Commissioner Howell seconded the motion. Upon a called vote, the motion passed unanimously.

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

a. Final Plat Approval for Los Prados Phase I

Commissioner Saldana motioned to move the item into executive session. Commissioner Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

Following the executive session, Mayor Pro-Tem Saldana motioned to approve the item. Commissioner Martinez seconded. Upon a called vote, the motion passed by a vote of 4 to 1, with Commissioner Howell voting against.

b. Approval of Water Access Agreement between City of Mercedes and North Alamo Water Supply Corporation for the provision of water services to the Mirasol Country Estates Subdivision.

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

c. Approval of Request for a Letter of Support to Congress to earmark funds by the American Legion, JA Garcia, Post 172

Commissioner Howell motioned to approve the item. Commissioner Martinez seconded the motion.

Mr. Tony Sanchez, Commander of Post 172 of the American Legion, addressed the Commission. He stated that the Post had requested Congressman Gonzalez to earmark funds for a new building and had met with City staff regarding the process. The recommendation is for the City to apply for the funds and earmark them, as the American Legion cannot apply as an independent entity. Mr. Sanchez explained that the City's approval is needed to submit the application for funding for a new 15,000-square-foot building in Mercedes, with a requested amount of $1.5 million. He noted that the American Legion relies solely on donations.

Commissioner Howell thanked the American Legion for their service and expressed support for their request. Mayor Pro-Tem Saldana suggested utilizing grant writers to assist with the funding application. Upon a called vote, the motion passed unanimously.

d. Request for Sponsorship by Mr. Silver Trevino for Golf Tournament for Veterans

Mr. Silver Trevino addressed the Commission regarding sponsoring and serving as the host city for the annual golf tournament for veterans. He noted that this will be the sixth annual tournament and that the date has been moved to December 19, 2025, in Mercedes. Mr. Trevino explained that the event has previously been held in five different cities and that he is now requesting the City of Mercedes to serve as a co-host. He highlighted that veterans from across the region attend the tournament and emphasized that this event is his way of giving back to the community.

Mr. Trevino also requested participation from the City Commission and mentioned that before-and-after photos are taken for social media. Additionally, he noted plans to introduce an indoor miniature golf course, with all proceeds benefiting the tournament so that veterans do not incur any costs. He stated that 80 participants have already registered.

Commissioner Howell motioned to table the item for further review by the City Attorney. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

e. Approval to exercise Eminant Domain for the extension of Wastewater on Business 83 and Mile 2 West

Commissioner Martinez motioned to approve the item. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

f. Approval of Easement Agreement for Underground Sanitary Sewer Lift Station

Commissioner Martinez motioned to approve Items F and G. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

Commissioner Martinez then amended his motion to approve the items subject to legal review. Commissioner Garcia seconded the amended motion. Upon a called vote, the motion passed unanimously.

g. Approval of Easement Agreement for Underground Sanitary Sewer Pipeline

This item was approved in one motion with item 8F.

h. Adoption of Finance Policies regarding Write Off's, Payroll, and Cash Short and Over

Finance Director Ms. Hernandez stated that the proposed policy will assist the department in improving regulations for City departments. Commissioner Martinez motioned to approve the policy. Mayor Pro-Tem Saldana seconded the motion. In response to a question, Ms. Hernandez explained that there had not been a write-off policy in the past and noted that Emergicon provided the suggested wording for the write-offs. Upon a called vote, the motion passed unanimously.

i. Approval of Budget Amendment for Fire Department to move funds from Capital Outlay to Operations

Commissioner Howell motioned to approve the item. Commissioner Martinez seconded the motion. Fire Chief Campos explained that the funds are being transferred from Capital Outlay to other supplies and public education. Upon a called vote, the motion passed unanimously.

j. Approval of Adding a New Part-Time Position titled Field Operation Analyst

Mr. Perez stated that he is considering hiring a new part-time position to manage and identify work orders, which will be overseen by the Public Works Department. He noted that the position could potentially transition to full-time in the future. Mayor Pro-Tem Saldana motioned to approve the position. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously. Mr. Perez indicated that funding for the position will come from current vacancies.

9. Ordinances/Resolutions

a. First Reading of Ordinance 2025-32 amending Chapter 4 "Business Regulations" of the Code of Ordinances to add a new section, Article 4.14 entitled "Donation Boxes"

Planning Director Ms. Hernandez addressed the Commission regarding donation boxes within the City, noting that they have become a nuisance. She explained that examples from larger cities, such as Houston and Austin, were used to draft the proposed ordinance, as no local cities currently have a similar regulation. Commissioner Martinez motioned to approve the ordinance and forego the reading, including the provision for non-profit organizations. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

b. Tabled: Approval of First Reading of Ordinance 2025-33 amending Water Conservation and Drought Contingency Plan

Ms. Hernandez stated that the proposal to prohibit water wells has been removed. Residents will be allowed to have water wells, provided they obtain a permit, submit water testing reports, and comply with water conservation regulations. Water wells will serve as a secondary source of water and must be connected to the City water lines. Mr. Gonzalez noted that most mid- to small-sized cities are moving away from allowing water wells.

There was discussion regarding the community that relies on water wells and the importance of this resource to them. Mayor Montoya stated that he has no issue enforcing the regulations moving forward, but retroactive enforcement would be problematic. Mayor Pro-Tem Saldana motioned to approve the item with the provision that it applies only to new wells going forward. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed by a vote of 3 to 2, with Commissioners Howell and Commissioner Martinez voted against.

c. Consideration and approval of an ordinance 2025-36 authorizing the issuance of "City of Mercedes, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2025"; Providing for the Payment of said Certificates by the Levy of an Ad Valorem Tax Upon All Taxable Property within the City and Further Securing said Certificates by a Lien and Pledge of the Pledged Revenues of the System; and Providing an Effective Date

Financial Advisor Mr. Matt Lujan and Mr. Bobby Villarreal presented an overview of the proposed issuance of Certificates of Obligation, intended to fund previously authorized purchases such as a fire truck and other departmental equipment and vehicles. They reviewed the City's current debt structure, noting approximately $27 million in outstanding general obligation debt and the limited benefit of refinancing callable bonds under current market rates.

A summary of the November 7 bid results was provided, with eight bids received and five qualifying. The recommendation from the financial advisor was to select Frost Bank's non-callable bid at 3.60%, which provides the lowest overall cost.

Following the presentation, Mayor Pro-Tem Saldana moved to approve the recommendation to award the bid to Frost Bank at the 3.60% rate and to adopt Ordinance 2025-26, authorizing the issuance of the City of Mercedes, Texas Combination Tax and Revenue Certificates of Obligation, Series 2025. Commissioner Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

d. Consideration and approval of a Resolution 2025-26 by the City Commissioner of the City of Mercedes, Texas Authorizing and approveing Publication of Notice of Intention to Issue Certificates of Obligation; Complying with the requirements contained in securities and exchange commission rule 15c2-12; and Providing an Effective Date

Mayor Montoya motioned to approve the item regarding the Clean Water Project, effective immediately. Commissioner Martinez seconded the motion. Upon a called vote, the motion passed unanimously.

e. Approval of Agreement and Resolution 2025-27 for the Temporary Closure of State Right-of-Way for Christmas Parade

Commissioner Martinez motioned to approve the item. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

10. Monthly Departmental Reports

a. IT, Recreation Center, Planning, Library, Finance, Fire, City Sec/HR, Police

Fire Chief Campos addressed the Commission regarding recent accomplishments of the Fire Department. He highlighted improvements in response times, technology, and equipment. He also noted that the CodeRed system has been transitioned to the CivicReady Mass Notification system.

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 Howell motioned to go into executive session. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously. The meeting entered executive session at 7:56 P.M.

a. Discussion with City Manager regarding personnel matters - Section 551.074

b. Consultation with Attorney regarding update and potential litigation - Section 551.071

c. Consultation with Attorney regarding Project Anchor - Section 551.087

d. Discussion regarding Project First Street Initiative - Section 551.087

12. Open Session

Mayor Montoya reconvened the meeting at 9:38 P.M.

a. Possible Action pertaining to executive session item A

No action was taken on Item A discussed during the executive session.

b. Possible Action pertaining to executive session item B

No action was taken on Item B discussed during the executive session.

c. Possible Action pertaining to executive session item C

No action was taken on Item C discussed during the executive session.

d. Possible Action pertaining to executive session item D

Mayor Pro-Tem Saldana motioned to proceed as discussed in executive session. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

13. Adjournment

Commissioner Howell motioned to adjourn the meeting. Commissioner Martinez seconded the motion. Upon a called vote, the motion passed unanimously. The meeting adjourned at 9:40 P.M.