

**MERCEDES CITY COMMISSION
REGULAR MEETING
DECEMBER 2, 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

MEMBERS ABSENT: Mayor Pro-Tem Ruben Saldana

STAFF PRESENT: Alberto Perez, City Manager
Joselynn Castillo, City Secretary
Martie Garcia Vela, City Attorney
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

Four members of the Commission were present, which constitutes a quorum. Mayor Pro-Tem Saldana was absent.

3. Invocation

Mayor Montoya said the invocation.

4. Pledge of Allegiance

Commissioner Howell led in the Pledge of Allegiance.

5. Open Forum

There were no residents signed up for open forum.

6. Presentation

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

Ms. Janelle Caso, Delinquent Tax Attorney with Purdue Brandon Fielder Collins & Mott, presented the City of Mercedes' end-of-year delinquent tax collection report. She provided an overview of the City's revenue structure, noting that property taxes are the primary

source of operating revenue, supplemented by sales taxes, fees, fines, grants, and borrowed funds. Property taxes are assessed annually by the appraisal district, with payments due by January 31, after which penalties and interest accrue on unpaid balances.

The City contracts with delinquent tax collection attorneys to pursue unpaid taxes, fines, and fees. These services are performance-based, with compensation earned as a percentage of funds collected.

For the reporting period, the firm entered into three agreements with delinquent taxpayers, resulting in \$21,411 collected. Litigation activity included 85 filed petitions on \$484,190 in base tax owed, 12 tax warrants, and representation of the City in seven bankruptcy hearings. Five tax sales were conducted; four properties were sold or offered for resale, generating \$19,411, and three properties reached settlement agreements, paying \$21,133 in taxes. One property was struck off due to lack of bids.

Of the total \$1.281 million in delinquent property tax arrears, 35% (\$443,000) is in deferral status for qualifying individuals, 31% (\$395,000) is in litigation, 18% (\$234,000) is pending action, and the remaining 16% (\$207,000) consists of properties in bankruptcy, trust status, partial payment plans, or other categories.

During the fiscal year, \$274,732 in delinquent property taxes were collected, representing approximately 24.54% of the amount owed. Collections on penalties and interest were not reported.

The report also included municipal court collections. In FY25, \$72,122 in court fines were collected, and \$11,024 in fines were dismissed. Outstanding fines remain primarily associated with Mercedes residents, totaling \$929,562 across 1,801 accounts, followed by Weslaco residents with \$197,279 across 477 accounts.

Additionally, mowing liens were introduced as a new category. These liens are assessed when property owners fail to comply with mowing code requirements after notice. In FY25, the City collected \$8,033 in mowing lien payments.

7. Consent Agenda

- a. Approval of Minutes for Meeting(s) held November 18, 2025
- b. Adoption of Mercedes Police Department Policy XXIII – Automated License Plate Reader (ALPR)
- c. Second and Final 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"
- d. Second and Final Reading of Ordinance 2025-33 amending Water Conservation and Drought Contingency Plan
- e. Second and Final reading of 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

Commissioner Martinez motioned to approve all items and forego the second readings. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

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

- a. Approval to select a contractor for the Rec Center Roof Replacement Bid 2025-004
Recreation Director Richard Morin presented bids received for the silicone roof project. The City received seven bids: A-1 Facilities (\$69,173.00), 2LG Construction (\$88,000.00), SKO Elite (\$92,340.00), Argio Roofing (\$97,300.00), AM Utilities (\$107,611.00), ABBA Construction (\$115,000.00), and Meridion Construction (\$171,857.00).

Discussion was held regarding the bids exceeding the budgeted amount of \$80,000 and the possibility of pursuing a TPO roof and voiding the current bids. The city engineer (not present) provided the bid tabulation for the packet and recommended to staff SKO Elite in the amount of \$92,340.00, noting the firm met all requirements and had completed projects of similar size.

Commissioner Howell motioned to accept the recommendation and award the contract to SKO Elite in the amount of \$92,340.00. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

b. Final Plat Approval for Mirasol Country Estates

Ms. Denisse Hernandez presented the final plat for Mirasol Country Estates, a proposed 59-lot manufactured home subdivision on a 19.00-acre tract out of Lot 10, Block 27, Capisallo District Subdivision, Hidalgo County, Texas. The project is located outside the City limits but within the City of Mercedes' Extraterritorial Jurisdiction (ETJ). The applicant is Mr. Kevin Campbell.

Staff provided a project overview, noting that sewer service will be provided by the City of Mercedes, water service by North Alamo Water Supply Corporation, and that a water access agreement is in place to ensure adequate fire protection and water pressure for hydrants within the subdivision.

City staff also reported on a final walkthrough of the subdivision. Minor items remain pending, including installation of sidewalks and street signs, fire hydrant testing to be verified by the City, and removal of construction debris. Staff confirmed that major infrastructure components are in place and that remaining items are being addressed by the developer.

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

c. Approval to ratify the Donation Agreement with BCIE USA International

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

After executive session, there was no action on this item.

d. Approval of appointments to the Keep Mercedes Beautiful Committee

Commissioner Martinez motioned to approve Ms. Patti Loya, Ms. Hazel Hensley, and Mr. Carlos Olivarez. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

e. Approval of appointments/re-appointments of members to the DCM board

Commissioner Martinez motioned to approve the reappointment of Mr. Joe Flores, Ms. Peggy Yanez, and Mr. Marcos Garcia IV. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

9. Ordinances/Resolutions

a. Approval of Resolution 2025-28 to establish a Certificates of Obligation, Series 2025 Bank Account and Appointing signatories

Ms. Meredith Hernandez stated the city will be receiving the funds for Series bond 2025 and a bank account is needed for those funds. Commissioner Martinez motioned to approve. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

b. Approval of Resolution 2025-29 accepting a private contribution for Capital Improvement Projects and Obligations

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

After executive session, no action was taken on this item.

c. Approval of First Reading of Ordinance 2025-37 to Rezone Lot 2 Block 40 Capisallo E Subdivision

Ms. Hernandez stated this is a rezone for a property that was recently annexed. The property is on Mile 6 and 1 1/2 East and will be rezoned to Class "C" Apartment District. Commissioner Martinez motioned to approve. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

d. Approval of Ordinance 2025-38 establishing Filming Guidelines

Ms. Melissa Ramirez informed the Commission about establishing the City of Mercedes as a film friendly community. Commissioner Howell motioned to approve. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously.

10. 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 motioned to go into executive session. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting went into executive session at 7:05 P.M.

- a. Discussion with City Manager regarding personnel matters - Section 551.074
- b. Consultation with Attorney regarding update on potential litigation - Section 551.071
- c. Consultation with Attorney regarding Project Anchor - Section 551.087
- d. Discussion regarding Real Estate purchase for Lift Station - Section 551.072
- e. Discussion regarding Project Kamel - Section 551.078

11. Open Session

Mayor Montoya reconvened the meeting at 8:45 P.M.

- a. Possible Action pertaining to executive session item A
No action was taken on item A from the executive session.
- b. Possible Action pertaining to executive session item B
Commissioner Martinez motioned to proceed with litigation regarding the police department. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.
- c. Possible Action pertaining to executive session item C
No action was taken on item C from the executive session.
- d. Possible Action pertaining to executive session item D
No action was taken on item D from the executive session.
- e. Possible Action pertaining to executive session item E
No action was taken on item E from the executive session.

12. Adjournment

Commissioner Martinez motioned to adjourn. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:45 P.M.