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MERCEDES CITY COMMISSION  
REGULAR MEETING  
APRIL 7, 2026 – 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**
4. **Pledge of Allegiance**
5. **Open Forum**
6. **Presentation**
  - a. Proclamation Honoring the Musical Legacy of Gilberto Perez
  - b. Presentation on Celebration honoring our Nation's 250th Year
7. **Consent Agenda**
  - a. Approval of Minutes for Meeting(s) held March 4, 2026, March 17, 2026, March 18, 2026 and March 26, 2026
8. **Management Items:** Present, discuss, consider and possibly take action regarding:
  - a. Consideration and possible action for approval of changes to the Mercedes Library Policy adopting new meeting room procedures and fees
  - b. Consideration and Action to appoint/reappoint members to the Library Board.
  - c. Consideration and Action to approve the request from the Housing Authority for the PILOT Program
  - d. Discussion and Action regarding the Sponsorship request from MISD for the Superintendent Scholarship
  - e. Consideration and Action regarding the sponsorship request by the Mercedes ISD for the Scoreboard Upgrade
  - f. Consideration and Action regarding the sponsorship request from America's Future Workforce Foundation
  - g. Consideration and Action on Request to change 5th Street name to Dr. Hector P. Garcia Street from Ohio Ave. to Illinois Ave.
9. **Ordinances/Resolutions**
  - a. Consideration and Action on Resolution 2026-18 authorizing changes to key executive signatories

on account held with Wells Fargo Bank

- b. Consideration and Action on First Reading of Ordinance 2026-08 to Rezone Lot 7 Block 66 CapiSallo District
- c. Consideration and Action on First Reading of Ordinance 2026-09 to Rezone Lot 4 Block 64 CapiSallo District
- d. Consideration and Action on First Reading of Ordinance 2026-11 to amend Article 13 "Utilities"
- e. Consideration and Action on First Reading of Ordinance 2026-12 to amend Article A8.000 "Utility Rates and Charges"

**10. Bids/Contracts**

- a. Consideration and Action to Renew the Agreement between the City of Mercedes and Waste Connections for Solid Waste Disposal
- b. Consideration and Action to Ratify the Interlocal Cooperation Agreement between the County of Hidalgo, Texas and the City of Mercedes, Texas regarding MVCPA Task Force
- c. Consideration and Action on Interlocal agreement between Hidalgo County and the City of Mercedes regarding the Hidalgo County Library System.
- d. Consideration and Action on Agreement between the County of Hidalgo Elections Department and the City of Mercedes regarding the 2026 May Election for Mayor, Commissioner Place 1 and Commissioner Place 3

**11. City Manager Update**

- a. Update regarding closing on Neuhaus Property 25 Acres

**12. 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 Updates - Section 551.087
- d. Discussion regarding Project Updates by DCM 3.04, 10.00, LGC 501 and 504 - Section 551.087

**13. Open Session**

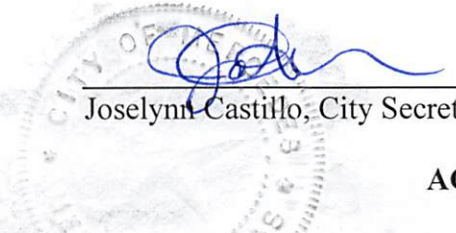
- a. Possible Action pertaining to executive session item A
- b. Possible Action pertaining to executive session item B
- c. Possible Action pertaining to executive session item C
- d. Possible Action pertaining to executive session item D

**14. Adjournment**

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a Regular Meeting on Tuesday, April 7, 2026 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 30TH DAY OF MARCH, 2026.

ATTEST:



Joselynn Castillo, City Secretary

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### ACCESSIBILITY STATEMENT

**The City of Merced 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.**



# Office of the **MAYOR** **CITY OF MERCEDES**



## **Proclamation**

### **HONORING THE LIFE AND MUSICAL LEGACY OF GILBERTO PEREZ**

**WHEREAS**, the City of Mercedes proudly recognizes individuals whose talents and dedication bring honor, culture, and recognition to our community; and

**WHEREAS**, Gilberto Perez, a proud native of Mercedes, Texas, was born on August 3, 1935, and became one of Conjunto music's most beloved and respected musicians, sharing his remarkable talent with audiences throughout the Rio Grande Valley, the United States and Mexico; and

**WHEREAS**, beginning his musical journey in the 1950s, Gilberto Perez was drawn to the accordion at an early age and went on to become a distinguished musician, eventually founding his band Gilberto Perez y Sus Compadres in 1959, a group that would become a powerhouse in the Conjunto genre for more than six decades; and

**WHEREAS**, throughout his career, Gilberto Perez recorded numerous albums and songs on respected labels including Falcon, Ideal, Freddie, Hacienda, and others, and later founded his own label, Nuevo Records, while performing for generations of fans at festivals, dances, and cultural events; and

**WHEREAS**, his music produced many memorable songs including "El Dia de Tu Boda," "El Burro Pardo," "Mi Casa Nueva," and many others that became beloved classics among fans of Conjunto and Tejano music; and

**WHEREAS**, known not only for his musical talent but also for his humility, kindness, and deep connection with his fans, Gilberto Perez earned admiration throughout the music community and collaborated with many renowned artists, leaving a lasting impact on the genre and inspiring generations of musicians; and

**WHEREAS**, Gilberto Perez passed away on February 3 at the age of 85, leaving behind a legacy of more than 60 years of music, cultural influence, and pride for his hometown of Mercedes, Texas; and

**WHEREAS**, the City of Mercedes wishes to recognize and celebrate the life, accomplishments, and enduring musical legacy of one of its most distinguished native sons.

**NOW, THEREFORE**, I, Oscar D. Montoya Sr., Mayor of the City of Mercedes, Texas by virtue of the authority vested in me and on behalf of the City Commissioners Dr. Ruben J. Saldana, Dr. Jacob C. Howell, Joe Martinez and Armando Garcia do hereby proclaim Tuesday, March 17, 2026 as

### **"GILBERTO PEREZ DAY"**

In the City of Mercedes, and encourage all residents to recognize and celebrate the life, music, and the lasting cultural contributions he made to our community and to Conjunto music.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Mercedes to be affixed this 17th day of March, 2026.

**CITY OF MERCEDES**

**ATTEST:**

**OSCAR D. MONTOYA SR.,  
MAYOR**

**JOSELYNN CASTILLO,  
CITY SECRETARY**

**MERCEDES CITY COMMISSION  
SPECIAL MEETING  
MARCH 4, 2026 – 6:00 PM  
MERCEDES CITY HALL – COMMISSION CHAMBERS  
400 S. OHIO AVE., MERCEDES, TX 78570**

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

**MEMBERS ABSENT:** Commissioner Jacob Howell

**STAFF PRESENT:** Alberto Perez, City Manager  
Joselynn Castillo, City Secretary  
Martie Garcia Vela, City Attorney  
Meredith Hernandez, Finance Director

**OTHERS PRESENT:**

**1. Call Meeting to Order**

Mayor Montoya welcomed everyone and called the meeting to order at 6:28 P.M. Mayor Montoya apologized for his delay and added there was also technical difficulties.

**2. Establish Quorum**

Four members of the Commission were present, which constitutes a quorum. Commissioner Howell was absent.

**3. Invocation**

Commissioner Martinez said the invocation.

**4. Pledge of Allegiance**

Mayor Pro-Tem Saldana led in the pledge of allegiance.

**5. Open Forum**

There were no residents signed up for the open forum.

**6. Presentation**

a. Presentation of the Audit for Fiscal Year 2024-2025

Adrian Webb, City Auditor, addressed the Commission regarding the audit for the City of Mercedes ending fiscal year 2025. Mr. Webb informed the commission about the financial highlights which included the city's total net position which increased by \$6,495,197. The net position from governmental activities increased \$5,869,271, while the net position from business-type activities increased \$625,926. The receivables in the EMS keep increasing but will not be collected. The City now has a write off policy.

Mr. Webb stated one of the deficiencies included a Human Resources policy to include a

conflict of interest form. Mayor Montoya stated a checklist could be made to make sure all forms are filled out properly.

Mayor Montoya provided staff 30 days to correct the material weaknesses.

Mayor Montoya would like a budget workshop in the near future. Mr. Perez informed the commission that they are looking at doing a workshop about the streets and two other topics. Mayor Montoya added that he would like to focus on the parks also and water and sewer and to plan for sponsorship requests.

**7. Consent Agenda**

a. Approval of Minutes for Meeting(s) held February 17, 2026

Commissioner Martinez motioned to approve. Commissioner Garcia seconded. PU

**8. Ordinances/Resolutions**

a. Consideration and Action on Resolution 2026-17 approving the submission of the grant application for the Hidalgo 2025 Operation Stone Garden Grant No. 3172811

Commissioner Martinez motioned to approve. Commissioner Garcia seconded. PU

**9. Adjournment**

Commissioner Garcia motioned to adjourn. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously. Meeting adjourned at 6:56 P.M.

**MERCEDES CITY COMMISSION  
REGULAR MEETING  
MARCH 17, 2026 – 6:00 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  
Juan Vasquez, I.T Specialist  
Michael Rocha, I.T Director

**OTHERS PRESENT:** Kayla Solis

**1. Call Meeting to Order**

Mayor Montoya welcomed everyone and called the meeting to order at 6:04 P.M.

**2. Establish Quorum**

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

**3. Invocation**

Commissioner Martinez said the invocation.

**4. Pledge of Allegiance**

Commissioner Garcia led in the pledge of allegiance.

**5. Open Forum**

Mr. Issac Izaguirre addressed the commission regarding funding for America's Future workforce foundation. The foundation will help the top 10 students with scholarships, laptops and headphones. He is requesting \$15,000. They are applying for federal funding but are seeking funding from other sources such as cities.

At this time, Mayor Pro-Tem Saldana motioned to move to Item 9C and 10B and postpone all remaining items.

**6. Presentation**

- a. Proclamation Honoring the Musical Legacy of Gilberto Perez
- b. Presentation on Mercedes' 250 Year Celebration

**7. City Manager Update**

- a. Update regarding closing on Neuhaus Property 25 Acres

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

- a. Consideration and possible action for approval of changes to the Mercedes Library Policy adopting new meeting room procedures and fees
- b. Consideration and Action to approve the request from the Housing Authority for the PILOT Program

**9. Ordinances/Resolutions**

- a. Consideration and Action on First Reading of Ordinance 2026-08 to Rezone Lot 7 Block 66 Capisallo District
- b. Consideration and Action on First Reading of Ordinance 2026-09 to Rezone Lot 4 Block 64 Capisallo District
- c. Consideration and Action on First Reading of Ordinance 2026-10 amending the City of Mercedes Election Ordinance 2026-01 for Mayor, Commissioner Place 1 and Commissioner Place 3 to include the early voting schedule and times  
Commissioner Martinez motioned to approve and forego the reading. Mayor Pro-Tem Saldana and Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

**10. Bids/Contracts**

- a. Consideration and Action to Renew the Agreement between the City of Mercedes and Waste Connections for Solid Waste Disposal
- b. Consideration and Action on Agreement between City of Mercedes and Texas Regional Bank to Secure Public Unit Deposits  
Commissioner Howell motioned to approve. Commissioner Martinez seconded. Upon a called vote, the motion passed unanimously.
- c. Consideration and Action on Interlocal Cooperation Agreement between the County of Hidalgo, Texas and the City of Mercedes, Texas regarding MVCPA Task Force

**11. Monthly Departmental Reports**

- a. I.T. Dept., Recreation Dept., Finance, Planning, Library, Parks Dept, City Sec/HR

**12. 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. Discussion regarding Project Updates by DCM 3.04, 10.00, LGC 501 and 504 - Section 551.087
- d. Discussion regarding Project Anchor Update - Section 551.087

**13. 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

**14. Adjournment**

Commissioner Martinez motioned to adjourn. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 6:10 P.M.

**MERCEDES CITY COMMISSION  
SPECIAL MEETING  
MARCH 18, 2026 – 6:00 PM  
MERCEDES CITY HALL – COMMISSION CHAMBERS  
400 S. OHIO AVE., MERCEDES, TX 78570**

**MEMBERS PRESENT:** Mayor Oscar Montoya  
Commissioner Jacob Howell  
Mayor Pro-Tem Ruben Saldana

**MEMBERS ABSENT:** Commissioner Joe Martinez  
Commissioner Armando Garcia

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

**OTHERS PRESENT:**

**1. Call Meeting to Order**

Mayor Montoya welcomed everyone and called the meeting to order at 6:00 P.M.

**2. Establish Quorum**

Three members of the Commission were present, which constitutes a quorum.  
Commissioner Martinez and Commissioner Garcia were absent.

**3. Invocation**

Commissioner Howell said the invocation.

**4. Pledge of Allegiance**

Mayor Pro-Tem Saldana led in the pledge of allegiance.

**5. Open Forum**

There were no residents signed up for open forum.

**6. Consent Agenda**

- a. Second and Final Reading of Ordinance 2026-10 amending the election ordinance to include the early voting schedule and times

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

**7. Adjournment**

Commissioner Howell motioned to adjourn. Mayor Pro-Tem Saldana seconded. Upon a called vote the motion passed unanimously. The meeting adjourned at 6:03 P.M.

**DATE:** April 7, 2026  
**FROM:** Marisol Vidales, Library Director  
**ITEM:** **Discussion and possible action to Consideration and possible action for approval of changes to the Mercedes Library Policy adopting new meeting room procedures and fees**

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**BACKGROUND INFORMATION:** The most significant change to the personnel policy is with regard to our meeting room rentals. Previously, we had a set rate for both the Texas and Program Room, and we charged \$15 or \$30 per hour based on the organization being either a non-profit or for-profit business. We are proposing changing the hourly rate to \$10 per hour for non-profits and \$15 per hour for profit organizations for the Program Room. We are also proposing changing the rate for the Texas Room to \$15 per hour for non-profits and \$20 per hour for-profit organizations. We have also extended how far in advance a patron may make a reservation. Previously, patrons could only request the use of the rooms one week in advance. We are proposing up to one month in advance. Our study pods could only be reserved 3 days in advance, and we have increased this to 14 days in advance. These changes were encouraged by the fact that room reservations will be available online within the next month or two and we want to make the process as convenient as possible for our patrons.

**BOARD REVIEW/CITIZEN FEEDBACK:** The Library Board approved the changes

**ALTERNATIVES/OPTIONS:** The only alternative is to keep the current rates and reservation time frames

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**  
\$

**Account Number(s):**

**Finance Review by:** Not Applicable

**LEGAL REVIEW:** Not applicable

**ATTACHMENTS:**

1. DHPGML Policy Manual - 10th Version pending approval

**STAFF RECOMMENDATION:** Staff is recommending approval.

## LIBRARY SERVICES

The Dr. Hector P. Garcia Memorial Library offers a variety of services to its patrons. The following services are available to the general public, regardless if the patron has or does not have a library card:

- Copy services
- Faxing services
- Printing services
- Scanning services
- Test proctoring
- Tex-Share Databases
- The Portal to Texas History
- Meeting Room Use
- Wireless access
- Library tours
- Story time hours Programming and Events
- Reference assistance
- Notary services

In order to use the other services provided by the library, individuals must obtain a library card. The following are the extended services available to patrons with library cards:

- Computer access
- Laptop access
- Material borrowing including Inter-library loan privileges
- Subscription databases
- Hotspot checkout
- 3D Printing

[Appendix A](#) will provide a fee listing for those services that the Texas State Library and Archives Commission deems as permissible for charging, while retaining accreditation status.

## Applications/Reservations

- Groups interested in using the library's meeting room must first fill out a [Meeting Space Request Form](#) provided by the library.
- An authorized adult representative of the interested group must request use of the meeting space and fill out the request form. By signing the form, the applicant agrees to the Meeting Space Policy and confirms that it has been read and understood.
- The Request Form must be submitted to the library on the day of the reservation.
- The Study Pods are scheduled on a first come, first serve basis, but can be scheduled up to 3 days in advance for 2 hours at a time.
- The Texas Room and Program Room are scheduled on a first come, first serve basis, but can be scheduled up to 1 week in advance for 4 hours at a time.
- Failure to abide by the policy may disqualify the interested group from future use of the meeting room.
- The group accepts financial responsibility for any and all damage caused to the building or equipment beyond normal wear. The group contact person will be responsible for any charges incurred by the group.
- Room reservations may be called in, but they will not be confirmed until the Request Form and Fee have been completed and processed.
- The library does reserve the right to cancel or modify a scheduled meeting if the room is needed for library or city purposes.
- Library staff should be notified in advance of cancellations by the group. If a meeting is cancelled more than once with less than 24 hours' notice, the group may be disqualified from future use of the room.
- If a meeting is cancelled 2 hours or less prior to the event, the library reserves the right to hold partial cost of the room rental.

## Charges

There is no charge for use of the meeting room by city ~~governmental agencies~~departments or by groups in which the library is a sponsor or cooperating agency. ~~Non-profit agencies will be charged \$15 per 4 hours, while Standard rates will be \$30 per 4 hours. If a group needs to reserve the meeting room for a period of 5 or more hours, an hourly fee of \$5 will be charged after the 4 hours. The Program Room is available for rent for \$10 per hour for non-profit agencies and \$15 per hour at standard rate. The Texas Room is available for rent for \$15 per hour for non-profit agencies and \$20 per hour at standard rate.~~

Appendix A - Library Services Fees

**Services & Associated Cost**

<b>Copies and Printing</b>		
	Black & White	Color
Letter (8.5 x 11)	.15 cents per page	.50 cents per page
Legal (8.5 x 14)	.25 cents per page	.60 cents per page
Tabloid (11 x 17)	.50 cents per page	\$1.00 per page
<b>FAXING</b>		
\$1.00 per page for domestic calls	\$3.00 per page for international calls	
<b>Scanning</b>		
.25 cents per page		
<b>Test Proctoring</b>		
\$10.00 per person Proctoring exceeding more than 2 hours will pay an hourly fee of \$5.00		
<b>Meeting Rooms</b>		
<del>\$15.00 per hour for non-profits</del>	<del>\$30.00 per hour for profit companies Non-Profit Rate</del>	<u>Standard Rate</u>
<u>Program Room</u>	<u>\$10 per hour</u>	<u>\$15 per hour</u>
<u>Texas Room</u>	<u>\$15 per hour</u>	<u>\$20 per hour</u>
<b>Notary</b>		
\$10 per signature		

Appendix G - Meeting Space Request Form

# Meeting Space Request Form

## Dr. Hector P. Garcia Memorial Library

Name | Organization: \_\_\_\_\_

Purpose of Meeting: \_\_\_\_\_

- I am at least 18 years old. \*
- I understand all food, drinks, & trash must be removed from the space by the close of the meeting.
- I understand my group will not be allowed into the room until my reservation start time begins.
- I understand my group must vacate the room/space 15 minutes prior to the library closing and/or at the time that the meeting is supposed to end, or additional charges will be given for running over the allocated time.
- I will let staff know when I am done with the space.

Primary Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Expected Attendance: \_\_\_\_\_

Alternate Contact Name: \_\_\_\_\_ Alt. Phone: \_\_\_\_\_

Alternate Email: \_\_\_\_\_

**Reservations for the Texas & Program Room may be made up to 1 month in advance.**  
**Reservations for Pods may be made up to 14 days in advance for 2 hours at time.**  
**Rooms cannot be booked for days or times when the library is not open to the public.**

Date Requesting: \_\_\_\_\_ Start Time: \_\_\_\_\_ End Time: \_\_\_\_\_  
Indicate the Space Requesting: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

My signature above indicates that I agree to ensure that my organization will abide by the policies of the library with regard to meeting space use. Primary Contact and/or Organization understands they are responsible for any and all damages that incur during their use of the space.

### For Office Staff Use

Space: Pod 1 | Pod 2 | Texas Room | Program Room | \_\_\_\_\_

Non-Profit Fee: \_\_\_\_\_ Standard Fee: \_\_\_\_\_ Paid: \_\_\_\_\_

Notes: \_\_\_\_\_ Staff Initials: \_\_\_\_\_

\* Under 18 must have parent or legal guardian make reservation in-person. Staff Printed Name: \_\_\_\_\_

Updated: 2/06/2026

**Management Items**

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**DATE:** April 7, 2026  
**FROM:** Marisol Vidales, Library Director  
**ITEM:** **Discussion and possible action to Consideration and Action to appoint/reappoint members to the Library Board.**

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**BACKGROUND INFORMATION:** The purpose of the Library Board is to educate and engage citizens about using the library and its many services. This can be by advertising the library and its services, programming, and materials whenever possible, by fundraising for the library through events and campaigns, by advocating literacy, and finally by reviewing and approving pertinent policies and procedures that will be beneficial to the community. They serve as a link between the citizens of the community, elected officials of the City, and the professional staff of the Library Department. The Board shall act in a review and advisory capacity. The Director shall consider all recommendations and, within the scope of the City fiscal and management policies, carry out such recommendations within that context.

In December, we had long-time member Diane Roman-Goldsberry resign from our board. I recently received an application from Imelda Alamia who served as a teacher and school principal in the Houston area for years. Now that she is retired, she has returned to the Rio Grande Valley and wants an opportunity to continue to serve and felt that one of the best ways would be to serve on the Library Board.

If her appointment is approved, her term would run until March 20, 2028, as she would be filling the term left vacant by Mrs. Goldsberry.

**BOARD REVIEW/CITIZEN FEEDBACK:** N/A

**ALTERNATIVES/OPTIONS:** N/A

**FISCAL IMPACT:** (Total Costs)

<b>Proposed Expenditure/(Revenue):</b>	<b>Account Number(s):</b>
\$	

**Finance Review by:** (Has finance reviewed it to make sure we have the funds Yes/No/Not Applicable)

**LEGAL REVIEW:** Not Applicable

**ATTACHMENTS:**

1. Diane Goldsberry Resignation
2. Imelda Alamia Library Board Application\_Redacted

**STAFF RECOMMENDATION:** Staff is recommending approval.

- 99+
- Compose
- Mail
- Inbox 5,201
- Starred
- Snoozed
- Important
- Sent
- Drafts 6
- Categories
- Purchases 29
- Social
- Updates 1,553
- Forums 192
- Promotions 5,321
- More

Labels

- 3D Printer
- 211
- 224 S Texas
- 300 Missouri
- 300 S Texas
- 304 S Texas
- 311 App
- 320 S Missouri
- 402 Texas



### Resignation from the board External Library Board x

☰ Summarize this email



**Diane Roman** <ewschool2012@gmail.com>  
to Marisol

Hello Marisol,  
I am resigning from the board. It has been wonderful to serve the library and the City of Mercedes.  
Wishing you all the best, Diane

--

Diane Roman-Goldsberry, President  
RAPHAEL CULTURAL AND ARTISTIC RESEARCH ASSOCIATION, INC.  
[ewschool2012@gmail.com](mailto:ewschool2012@gmail.com) [www.rcara.org](http://www.rcara.org)



**Marisol Vidales**

Hi Diane, I am sorry to hear you are resigning from the board. I have loved having you be a part of it. You have brought so m



**Diane Roman** <ewschool2012@gmail.com>  
to me

You are welcome.

Thank you, that means a lot. I will miss you too.

Reply Forward 😊 Share in chat <sup>New</sup>



APPLICATION TO SERVE ON  
BOARDS & COMMITTEES

Name: Imelda Alamia Date: 3-17-2026

Home Address: [Redacted]

Inside City Limits  Outside City Limits

Cell Phone: [Redacted] Email: [Redacted]

Occupation  
(Note: If "Retired", what was your predominant occupation?): Retired-School Principal

I AM INTERESTED IN SERVING ON THE FOLLOWING BOARDS, COMMISSIONS,  
OR COMMITTEES:

- |  |  |
|--|--|
| <input type="checkbox"/> Planning & Zoning Commission*   | <input checked="" type="checkbox"/> Library Board        |
| <input type="checkbox"/> Buildings & Standard Commission | <input type="checkbox"/> Development Corporation         |
| <input type="checkbox"/> Industrial Foundation           | <input type="checkbox"/> Charter Review                  |
| <input type="checkbox"/> Zoning Board of Adjustment      | <input type="checkbox"/> Parks & Recreation              |
| <input type="checkbox"/> Keep Mercedes Beautiful         | <input type="checkbox"/> Historic Preservation Committee |

Please declare reason(s) for desired service:

I'm interested in promoting the library - for youth and adults.

Imelda Alamia  
Signature

3-17-2026  
Date

NOTE: Citizens interested in serving on city boards and commissions are encouraged to fill out and return this form to City Hall. It is designed to assist the Mercedes City Commission in making board appointments. (\*For Planning & Zoning Commission, applicants must be property owners.) Applications are kept on file for (6) months for consideration.



Management Items

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**DATE:** April 7, 2026  
**FROM:** Alberto Perez, City Manager  
**ITEM:** **Discussion and possible action to Consideration and Action to approve the request from the Housing Authority for the PILOT Program**

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**BACKGROUND INFORMATION:** The Mercedes Housing Authority is requesting approval of the PILOT Program (Payment In Lieu of Taxes). This program was initially approved in 2023. This is a yearly request for approval. However, staff is recommending to include in the motion the number of years this item will be approved.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):** **Account Number(s):**  
\$

**Finance Review by:** Yes

**LEGAL REVIEW:**

**ATTACHMENTS:**

1. Queen City Housing Foundation PILOT

**STAFF RECOMMENDATION:** Approval of the yearly PILOT Program for the Mercedes Housing Authority for 3 years.



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## Mercedes Housing Authority

306 W. 5<sup>th</sup> Street  
Mercedes, TX 78570  
Phone: (956) 565-3139  
Fax: (956) 565-9874

December 17, 2025

Mayor Oscar Montoya  
City of Mercedes  
400 S. Ohio Ave  
Mercedes, TX 78570

RE: Mercedes Housing Authority PILOT

Dear Mayor Oscar Montoya;

The Housing Authority of the City of Mercedes has had Payment in Lieu of Taxes (PILOT) waived by the City of Mercedes for a number of years. This is a great asset to the Housing Authority as it allows us to use that money directly for day to day operations. The tax exemption is granted through Texas Local Government Code Sec. 392.005. TAX EXEMPTION. (a) The property of an authority is public property used for essential public and governmental purposes. The authority and the authority's property are exempt from all taxes and special assessments of a municipality, a county, another political subdivision, or the state.

The Housing Authority's non-profit, Queen City Housing Foundation, currently has Anacuitas Manor, LLP and The Housing Authority is able to use non-federal money in the daily operations of these units. PILOT paid to the City that is reimbursed to the Housing Authority is considered non-federal money. HUD has encouraged Housing Authorities to work with their City to use PILOT reimbursement as a method of repayment after OIG audits or for startup of a Non-Profit. Housing authorities generally have very limited access to non-federal funding.



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**Mercedes Housing Authority**

306 W. 5<sup>th</sup> Street  
Mercedes, TX 78570  
Phone: (956) 565-3139  
Fax: (956) 565-9874

The amount of PILOT that the Housing Authority is requesting to pay and have reimbursed is \$52,266.00, payable to Queen City Housing Foundation.

Thank you for your consideration and cooperation in an effort that will help develop more affordable housing for the City of Mercedes.

Sincerely,

Arturo Torres  
Executive Director

CC: Alberto Perez, City Manager

Attachment: Copy of Mercedes Housing Authority Check in the amount of \$52,266.00

Attachment: Mercedes Housing Authority Check in the amount of \$52,266.00

**DATE:** April 7, 2026  
**FROM:** Alberto Perez, City Manager  
**ITEM:** **Discussion and possible action to Discussion and Action regarding the Sponsorship request from MISD for the Superintendent Scholarship**

---

**BACKGROUND INFORMATION:** The Mercedes ISD submitted a request for sponsorship for the Superintendent Scholarship. This program will provide opportunities for students with financial challenges to pursue higher education and vocational training. MISD is seeking any donation, large or small.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**  
**\$ 5,000**

**Account Number(s):**

01-540-2065

Contributions- To Others

**Finance Review by:** Yes

**LEGAL REVIEW:**

**ATTACHMENTS:**

1. Superintendent Scholarship Letter 2025

**STAFF RECOMMENDATION:** Staff recommends approval of \$5,000



# MERCEDES

## INDEPENDENT SCHOOL DISTRICT

**MISD INTERIM SUPERINTENDENT**  
**Dr. Alicia Noyola**

**BOARD OF TRUSTEES**

Marcos J. Garcia IV – President  
Orlando Rodriguez - Vice President  
Ricardo Hinojosa – Secretary  
Oscar Hernandez – Member  
Nancy E. Vallejo – Member  
Rachel Trevino – Member  
Eddie Howell, Jr. – Member

P.O. BOX 419 Mercedes, Texas 78570 • Phone: (956) 514-2000 • [www.misdtx.net](http://www.misdtx.net)

Dear Partner in Education,

As proud advocates of Student Education, you understand the importance of investing in our future. At Mercedes Independent School District, we are deeply committed to ensuring that our students have every opportunity to succeed and pursue their dreams. Today, we are reaching out to invite you to join us in this mission by supporting the Mercedes ISD Superintendent Scholarship Fund.

Our goal is to create new scholarship opportunities for deserving students, enabling them to pursue higher education and vocational training. Many of our students face financial challenges that make it difficult to continue their education after high school, despite their hard work and dedication. By contributing to the Mercedes ISD Superintendent Scholarship Fund, your support will directly impact these students, empowering them to reach their fullest potential.

We are seeking financial contributions from community-minded businesses like yours to help fund these scholarships. Any donation, large or small, makes a meaningful difference in a student's journey toward a brighter future. In recognition of your support, we are excited to offer various levels of acknowledgment in our communications, on our website, and at school events.

To contribute, please make out your contributions to Mercedes ISD Superintendent Scholarship Fund. Contributions can be mailed to Mercedes I.S.D. P.O. Box 419 Mercedes, TX. If you have any questions please feel free to reach out to Cristina Torres, CFO, 956-514-2000 or via email at [cristina.torres@misdtx.net](mailto:cristina.torres@misdtx.net).

Thank you for considering this opportunity to make a lasting difference in the lives of Mercedes students. Together, we can provide a pathway to success and support the next generation of leaders, thinkers, and innovators.

Respectfully,

Dr. Alicia Noyola,  
Interim Superintendent

### **Mercedes ISD...creating confident, innovative leaders**

*" Mercedes ISD does not discriminate on the basis of race, color, national origin, sex, or disability in its programs or activities and provides equal access to the Boy Scouts and other designated youth groups. The following person has been designated to handle inquiries regarding the nondiscrimination policies: Director of Human Resources, 206 W. Sixth Street, Mercedes, TX 78570, 956-514-2079, [melissa.neto@misdtx.net](mailto:melissa.neto@misdtx.net)*

*Mercedes ISD no discrimina por motivos de raza, color, origen nacional, sexo, o discapacidad en sus programas o actividades y brinda igualdad de acceso a los Boy Scouts y otros grupos juveniles designados. La siguiente persona ha sido designada para manejar consultas sobre las políticas de no discriminación: Directora de Recursos Humanos, 206 W. Sixth Street, Mercedes, TX 78570, 956-514-2079, [melissa.nieto@misdtx.net](mailto:melissa.nieto@misdtx.net)".*



Management Items

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**DATE:** April 7, 2026  
**FROM:** Alberto Perez, City Manager  
**ITEM:** Discussion and possible action to Consideration and Action regarding the sponsorship request by the Mercedes ISD for the Scoreboard Upgrade

---

**BACKGROUND INFORMATION:** Mercedes ISD submitted a request for sponsorship which includes different packages. The funds will go towards upgrading the Tiger Stadium Scoreboard. The packages range from \$5,000/year to \$15,000/year. The attachments below indicates what is included in each package.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**                      **Account Number(s):**  
\$

**Finance Review by:** There are \$4000 left of funds for the rest of the year for organizations requesting funding assistance.

**LEGAL REVIEW:**

**ATTACHMENTS:**

- 1. MISD 2026 Sponsor Package

**STAFF RECOMMENDATION:**



# 2026 Sponsorship Packages



Mercedes Independent School District  
801 Hidalgo St., Mercedes, TX 78570  
956-514-2000  
[www.misdtx.net](http://www.misdtx.net)

EXISTING



PROPOSED



# Tiger Stadium Scoreboard Packages

Stadium seats up to 6,000 fans | 15+ Football Games Per Season | Local, regional & area events year round

FEATURES	Tiger Fan (6) (\$5,000/yr)	Tiger Pride (2) (\$7,500/yr)	Tiger Champion (4) (\$10,000/yr)	Tiger Legacy (2-4) (\$15,000/yr)
Stadium Scoreboard Signage	✓	✓	✓	✓
JFK Administration Building Digital Signage <small>LEGACY: 8-sec spots at a minimum of 1,000 impressions/day CHAMPION: 8-sec spots at a minimum of 500 impressions/day</small>			✓	✓
PA Announcement During Home Game	✓ (1)	✓ (1)	✓ (2)	✓ (3)
Reserved regular football season tickets	✓ (2)	✓ (4)	✓ (4)	✓ (4)
(1) :10 Sec Commercial Per Home Game		✓ (1)	✓ (1)	✓ (2)
Reserved VIP Parking Pass		✓ (1)	✓ (1)	✓ (1)
Sponsor Graphic for Home Team				✓
Signage at MHS Baseball and MHS Softball fields			✓	✓

EXISTING



PROPOSED



# Football Season In-Game Sponsorships

**1ST & 10 SPONSOR**  
(Tiger Legacy)

1st & 10 Sponsor Graphic (Home team) will show when Home Team reaches the 1st & 10 (Announcement will also be made). "That's a **"Sponsor Name"** 1st down".

**TOUCHDOWN SPONSOR**  
(Tiger Champion)

Touchdown Sponsor (Home Team) Sponsor Logo will show on Scoreboard after Home Team scores a touchdown. "That's a **"Sponsor Name"** Touchdown!"

**HALF-TIME SPONSOR**  
(Tiger Pride)

Half-time is presented by **"Sponsor Name,"** with logo will be incorporated into custom graphic shown on screen at the start and end of the halftime during each home game.

**EXTRA POINT SPONSOR**  
(\$2,000/year)

Sponsor logo will show on scoreboard after Home Team scores any extra points. "Good for a **"Sponsor Name"** extra point!"

**KICK-OFF SPONSOR**  
(\$2,500/year)

Presented by **"Sponsor Name,"** with logo incorporated into a custom graphic shown on screen at the start of the first and third quarter during each home game.

**QUARTER SPONSOR**  
(\$500/quarter per year)

Sponsor Logo will show on and off throughout the quarter. One Sponsor per quarter.  
\*Other graphics will be played throughout the quarter along with the Quarter sponsor graphic

**DEFENSE SPONSOR**  
(\$2,500/year)

Defense Sponsor is presented by **"Sponsor Name,"** with logo to be incorporated into a custom graphic shown on screen once per quarter when the home team is on Defense.

**Management Items**

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**DATE:** April 7, 2026  
**FROM:** Alberto Perez, City Manager  
**ITEM:** **Discussion and possible action to Consideration and Action regarding the sponsorship request from America's Future Workforce Foundation**

---

**BACKGROUND INFORMATION:** At the February 17, 2026, meeting, Mr. Izaguirre addressed the Commission in an open forum, informing everyone about the America's Future Workforce Foundation. He was seeking \$15,000 in funding to help the top ten students at Mercedes High School and Mercedes Early College receive laptops, headphones and for programming.

Mr. Izaguirre has formally requested to be placed on the agenda and has provided his 501c3 documents along with an updated list of goals for the funds.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT: (Total Costs)**

**Proposed Expenditure/(Revenue):**

**Account Number(s):**

\$

**Finance Review by:** There are \$4000 left of funds for the rest of the year for organizations requesting funding assistance.

**LEGAL REVIEW:**

**ATTACHMENTS:**

1. America's Future Workforce Foundation

**STAFF RECOMMENDATION:**



AMERICAS FUTURE WORKFORCE FOUNDATION  
426 W Liberty St  
Mercedes, TX 78570  
Phone Number: (956)532-0626  
Email: izaguirrelf@yahoo.com  
Date: 03/20/2026

To:  
City of Mercedes  
400 S Ohio Ave  
Mercedes, TX 78570

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## **Request for Agenda Placement City Commission Meeting**

Good morning,

I am writing on behalf of Americas Future Workforce Foundation to formally request placement on an upcoming City Commission meeting agenda.

The purpose of this agenda item is to present a funding request for a student-focused educational program serving Mercedes High School and Mercedes Early College Academy.

The program includes:

- Career speaker presentations for students
- Educational support resources for top-performing seniors (top ten ranked)
- Distribution of academic tools (noise-canceling headphones) to selected students

We are requesting \$15,000 in City funding, which will be used directly to benefit students within the City of Mercedes.

We would like to present a brief overview of the program, its impact, and the proposed budget, and respectfully request the opportunity to be considered for funding.

Please let me know the next available meeting date and any additional requirements needed to be placed on the agenda.

Thank you for your time and consideration.  
Respectfully,

Isaac Izaguirre  
President Americas Future Workforce Foundation



## AMERICAS FUTURE WORKFORCE FOUNDATION

Mercedes, Texas

EIN: 41-4063265

### City of Mercedes Student Career & Academic Support Pilot

Americas Future Workforce Foundation is a nonprofit organization dedicated to supporting high school students through career exploration programming and educational assistance that prepares them for successful transition into college and the workforce.

The Foundation partners with public high schools to bring professionals from diverse industries into the classroom to discuss career pathways, education requirements, workforce challenges, and long-term opportunities within their professions.

Pilot Program-Mercedes, Texas

#### **This initiative will serve students at:**

- Mercedes High School
- Mercedes Early College Academy

Each participating school will host a professional career speaker selected by the school administration from a list of career fields provided by the Foundation.

Additionally, the top seven graduating students at each school (ranked 1-10) will receive noise-cancelling study headphones to support focused academic study during their transition into college.

#### **Program Budget - \$15,000**

- Career Speaker Presentations  
(1 speaker per institution)  
2 speakers x \$2,000 speaker honorarium  
\$4,000

- Student Academic Support Awards  
20 students x \$400 noise-cancelling headphones  
\$8,000

- Program Coordination, Operations, and Administration  
Planning, school coordination, logistics, reporting, operations  
\$3,000



Total Program Cost: \$15,000

Over **80%** of funds are directed toward direct student benefit and school programming.  
 $\$4,000 + \$8,000 = \$12,000 / \$15,000 = \mathbf{80\% \text{ Program Ratio}}$

The Foundation will provide the City of Mercedes with a brief program impact report following completion of the initiative.

Funding Request:

Americas Future Workforce Foundation respectfully requests \$15,000 in pilot funding to implement this program for Mercedes students.

Respectfully,  
Issac Izaguirre  
President/Executive Director  
Americas Future Workforce Foundation



**SEEDING FUNDING MERCEDES:**  
AMERICAS FUTURE WORKFORCE FOUNDATION  
DIRECT PROGRAM COSTS

Student Awards

- Headphones

20 students x \$400 noise cancelling headphone = \$8,000

(10 graduating seniors ranked in top 10 **per institution**)

(Mercedes High School + Mercedes Early College Academy)

- Speakers from Professions

2 speakers x \$2,000 honorarium = \$4,000

(1 per institution)

OPERATIONS

\$3,000

TOTAL DIRECT PROGRAM SPENDING

\$8,000 + \$4,000 + 3,000 = \$15,000

$\$8,000 + \$4,000 = 12,000/15,000 = \mathbf{80\% \text{ Program Ratio}}$



**FULL FUNDING/FEDERAL FUNDING:**  
AMERICAS FUTURE WORKFORCE FOUNDATION  
DIRECT PROGRAM COSTS (YEAR 1)

Student Awards (Awarded in Spring only to top ten ranked graduating seniors)

- Scholarships:

110 students x \$5,000 scholarship = \$550,000

- Laptops:

110 students x \$4,978 laptop = \$547,580

- Headphones:

110 students x \$400 noise cancelling headphone = \$44,000

Speakers from Professions (1 speaker per semester, 2 total speakers per year per school)

- 2 per school x 11 schools = 22

• 22 speakers total x \$5,000 honorarium = \$110,000

TOTAL DIRECT PROGRAM SPENDING

$\$550,000 + 547,580 + 44,000 + 110,000 = \$1,251,580$

OPERATIONS & INFRASTRUCTURE

Operations & Infrastructure: \$536,000

TOTAL YEAR-1 BUDGET

Category Amount

**Direct Program Spending: \$1,251,580**

Operations & Infrastructure: \$536,000

**TOTAL: \$1,787,580**

Reserve Funds: \$212,420 buffer remains

**Program Ratio: 70%**

AMERICAS FUTURE WORKFORCE FOUNDATION  
School Participation Letter of Intent

Date: 3/23/2026

School Name: Mercedes Early College Academy  
School District: Mercedes Independent School Districts

Americas Future Workforce Foundation is a nonprofit organization dedicated to supporting high school students through career exploration programming and educational assistance that helps prepare students for successful transition into college and the workforce.

The purpose of this document is to confirm that the school listed above is interested in participating in the Foundation's student career awareness and academic recognition program.

**Program Overview**

Participating schools may host a professional career speaker who will present to students about career pathways, educational requirements, and opportunities within their field.

In addition, the program may provide educational support resources for selected graduating seniors based on objective academic criteria established in coordination with school administration.

**School Participation**

By signing this document, the school acknowledges its interest in participating in the America's Future Workforce Foundation program and confirms its willingness to coordinate with the Foundation regarding scheduling, student participation, and program logistics.

This document represents a statement of intent to participate and does not create a legal or financial obligation for the school or the Foundation.

School Representative

Name: Armando E. Martínez

Title: Principal

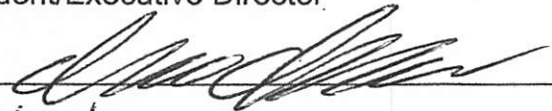
School: Mercedes Early College Academy

Signature: Armando E. Martínez

Date: 3/23/2026

America  
s Future Workforce Foundation

Name: Isaac Izaguirre  
Title: President/Executive Director

Signature: 

Date: 3/23/2026



AMERICAS FUTURE WORKFORCE FOUNDATION  
School Participation Letter of Intent

Date: 3/26/2026

School Name: Mezulas High School  
School District: Mezulas ISD

Americas Future Workforce Foundation is a nonprofit organization dedicated to supporting high school students through career exploration programming and educational assistance that helps prepare students for successful transition into college and the workforce.

The purpose of this document is to confirm that the school listed above is interested in participating in the Foundation's student career awareness and academic recognition program.

**Program Overview**

Participating schools may host a professional career speaker who will present to students about career pathways, educational requirements, and opportunities within their field.

In addition, the program may provide educational support resources for selected graduating seniors based on objective academic criteria established in coordination with school administration.

**School Participation**

By signing this document, the school acknowledges its interest in participating in the America's Future Workforce Foundation program and confirms its willingness to coordinate with the Foundation regarding scheduling, student participation, and program logistics.

This document represents a statement of intent to participate and does not create a legal or financial obligation for the school or the Foundation.

School Representative

Name: [Signature]

Title: Mezulas High School - Principal



**AMERICAS FUTURE**  
WORKFORCE FOUNDATION

School: Manuelas High School

Signature: [Handwritten Signature]

Date: 3/26/2024

America  
s Future Workforce Foundation

Name: Isaac Izaguirre  
Title: President/Executive Director

Signature: [Handwritten Signature]

Date: 3/26/2026



**Management Items**

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**DATE:** April 7, 2026  
**FROM:** Joselynn Castillo, City Secretary  
**ITEM:** **Discussion and possible action to Consideration and Action on Request to change 5th Street name to Dr. Hector P. Garcia Street from Ohio Ave. to Illinois Ave.**

---

**BACKGROUND INFORMATION:** Staff was approached with a request to rename 5th Street from Ohio Ave to Illinois Ave. to Dr. Hector P. Garcia Street. The Commission would need to vote in favor or against the name change. If the Commission votes in favor, the next step would be to create an ordinance formalizing the street name change. The ordinance would require two readings on two different days. After the ordinance is passed it would be published in the newspaper of general circulation in order to make it effective. During this time, staff will work on ordering the streets signs for the area.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT: (Total Costs)**

**Proposed Expenditure/(Revenue):**  
\$

**Account Number(s):**

**Finance Review by:** No

**LEGAL REVIEW:**

**ATTACHMENTS:**

- 1. IMG\_1540

**STAFF RECOMMENDATION:**

Martha's Beauty Parlor

Rudy Garza Funeral Home - Mercedes



Formacio Pizzeria

The American Legion

S OHIO AVE

S ILLINOIS AVE

Mercedes Police Department

Dr. Annabelle Lopez

W FOURTH ST

Family Dollar

City of Mercedes



Hector P Garcia Mercedes Public Library

Party Creations and More

FIFTH ST

W FIFTH ST

Stars Drive In

S OHIO AVE

S ILLINOIS AVE

New Anointing Ministries

W SIXTH ST

Mercedes Christian Church

**DATE:** April 7, 2026  
**FROM:** Meredith Hernandez, Interim Finance Director  
**ITEM:** **Discussion and possible action to Consideration and Action on Resolution 2026-18 authorizing changes to key executive signatories on account held with Wells Fargo Bank**

---

**BACKGROUND INFORMATION:** City staff previously attempted to update the signatories on the Wells Fargo account; however, the resolution submitted at that time was incomplete. For this attempt, we had the bank review the resolution prior to presenting it to the board to ensure there are no errors or omissions.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

<b>Proposed Expenditure/(Revenue):</b>	<b>Account Number(s):</b>
\$	

**Finance Review by:** Yes

**LEGAL REVIEW:**

**ATTACHMENTS:**

1. Resolution 2026-18 - WELLS FARGO

**STAFF RECOMMENDATION:** Staff recommends approval of Resolution 2026-18

**RESOLUTION#2026-18**

**FOR THE CITY OF MERCEDES, TX  
400 S OHIO AVE, MERCEDES, TX 78570**

**A RESOLUTION TO AUTHORIZE CHANGES TO KEY EXECUTIVE SIGNATORIES  
ON ACCOUNTS HELD WITH WELLS FARGO BANK.**

**WHEREAS**, the City of Mercedes, TX maintains one or more depository accounts with Wells Fargo Bank; and

**WHEREAS**, the City Commission finds it necessary and in the best interest of the City to update the key executive signatories authorized to conduct banking transactions on behalf of the city; and

**WHEREAS**, the City Commission desires to remove certain former key executive signatories and designate new key executive signatories for all accounts held with Wells Fargo Bank.

**NOW, THEREFORE, BE IT RESOLVED** by the City Commission of the City of Mercedes that

**Section 1. Designation of Key Executive Signatories**

The following individuals are hereby designated as key executive signatories for all accounts held with Wells Fargo Bank, with full authority to execute checks, drafts, electronic funds transfers, and any other banking instruments on behalf of the City of Mercedes: Alberto Perez, Meredith Hernandez, Nellie Zamora.

**Section 2. Removal of Former Key Executive Signatories**

The following individuals are hereby removed as key executive signatories on all City of Mercedes accounts held with Wells Fargo Bank: Antonio Aguilar, Ricardo Garcia, Michelle Leftwich, Sergio Zavala, Nereida Perez, Mecca Henry.

**Section 3. Bank Reliance**

Wells Fargo Bank is hereby authorized to rely upon this Resolution as conclusive evidence of the authority granted herein and shall honor all transactions executed by the above named key executive signatories until such authority is modified or revoked by subsequent resolution of the City Commission

**BE IT FURTHER AUTHORIZED THAT** Wells Fargo Bank is hereby authorized to honor and pay any checks, drafts, or other instruments signed by any of the above-authorized individuals, regardless of any changes in the personnel of the City of Mercedes.

This resolution shall take effect immediately and shall remain in full force until amended or rescinded by the City Commission.

**PASSED AND APPROVED this 7th day of April, 2026**

\_\_\_\_\_  
**Oscar D. Montoya, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Joselynn Castillo, City Secretary**

**EXHIBIT A**

**KEY EXECUTIVE SIGNATORY CERTIFICATION & SIGNATURES**

<b><u>Name</u></b>	<b><u>Title</u></b>	<b>Signature</b>
Alberto Perez	City Manager	_____
Meredith Hernandez	Finance Director	_____
Nellie Zamora	Accountant	_____

---

**DATE:** April 7, 2026  
**FROM:** Denisse Hernandez, Interim Planning Director  
**ITEM:** **Discussion and possible action to Consideration and Action on First Reading of Ordinance 2026-08 to Rezone Lot 7 Block 66 Capisallo District**

---

**BACKGROUND INFORMATION: DESCRIPTION:**

Consideration and possible action on a request to rezone Lot 7, Block 66, Capisallo District Subdivision, Hidalgo County, Texas, from its current designation of “N” (Newly Annexed) to Class “C-1” (Apartment District).

**PROJECT OVERVIEW:**

- The subject property consists of approximately 3 acres fronting Dawson Road. The site currently contains five existing apartment units and two duplexes, the latter of which were reportedly constructed without required municipal permits.
- While the Future Land Use Map (FLUM) categorizes this area as Medium Density Residential—typically limited to 7–8 units per acre (minimum 6,000 sq. ft. lots)—the applicant is seeking the "C-1" designation to accommodate the multi-family structure. To bring the property into compliance with city standards, the following conditions and requirements have been identified:
- **Structure Removal:** An existing house on the front of the property encroaches on setback requirements and must be removed as a condition of approval.
- **Right-of-Way & Easements:** The applicant must dedicate a 10-foot easement for future road expansion and provide all necessary utility easements.
- **Subdivision Compliance:** As the property is not currently subdivided, the applicant must complete either a minor plat process or satisfy all standard subdivision requirements, including utility improvements and infrastructure upgrades.
- **Site Improvements:** Development is subject to compliance with city landscaping ordinances, parking/driveway standards, and all outstanding city staff comments.
- **Permitting Review:** Given the history of unpermitted construction on-site, the City may require a formal minor plat process to ensure all existing and future structures meet current safety and building codes.

**BOARD REVIEW/CITIZEN FEEDBACK:** The Planning & Zoning Commission approved this request on March 2, 2026, pending final administrative review and the addressing of all City staff comments.

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)  
**Proposed Expenditure/(Revenue):**  
\$

**Account Number(s):**

**Finance Review by:** Not Applicable

**LEGAL REVIEW:** Not Applicable

**ATTACHMENTS:**

1. ORDINANCE NO 2026-08 MG3 INVESTMENTS
2. Screenshot 2026-02-09 133815

**STAFF RECOMMENDATION:** City Staff recommends approval of the rezone request, subject to all city comments, infrastructure requirements, and the resolution of all outstanding permitting and setback violations.

**ORDINANCE NO. 2026-08**

**AN ORDINANCE CHANGING THE CLASSIFICATION FOR ZONING PURPOSES OF THE FOLLOWING TRACT OF LAND: LOT 7, BLOCK 66, CAPISALLO DISTRICT SUBDIVISION (1.0 ACRE), FROM CLASS “N” NEWLY ANNEXED DISTRICT TO CLASS “C-1” APARTMENTS DISTRICT; PROVIDING FOR A SAVINGS AND REPEAL CLAUSE; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, on the 2<sup>nd</sup> day of March, 2026 a public hearing was held for the purpose of hearing any objections as to why: **LOT 7, BLOCK 66, CAPISALLO DISTRICT SUBDIVISION (1.0 ACRE)**, Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “N” Newly Annexed District to Class “C-1” Apartments District.

**WHEREAS**, the City Commission at its Regular Meeting of March 17<sup>th</sup>, 2026, having considered the rezoning of the above-described property as listed in the foregoing section and having heard the pros and cons as to such rezoning request, is of the opinion that the aforementioned rezoning is in the best interest of the City of Mercedes, Texas.

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

**Section 1:** **LOT 7, BLOCK 66, CAPISALLO DISTRICT SUBDIVISION (1.0 ACRE)**, Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “N” Newly Annexed District to Class “C-1” Apartments District.

**Section 2:** That the aforementioned rezoning of the above property be incorporated into the official map of the City of Mercedes, Texas by the City Planner of said City.

**Section 3:** That if any provision, section, subsection, phrase, paragraph, sentence, clause or portion of this Ordinance shall for any reason be declared invalid, such invalidity shall not affect the remaining provisions of this Ordinance or their application of persons or sets of circumstances and to this end, all provisions of this Ordinance or parts of Ordinances in conflict herewith are hereby repealed.

**Section 4:** 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 7<sup>TH</sup> DAY OF APRIL, 2026.**

**PASSED, APPROVED AND ADOPTED ON SECOND READING THIS THE 21<sup>ST</sup> DAY OF APRIL, 2026.**

**CITY OF MERCEDES**

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**Oscar D. Montoya, Sr., Mayor**

**ATTEST:**

**APPROVED AS TO FORM:**

---

**Joselynn Castillo**  
**City Secretary**

---

**Martie Garcia Vela**  
**City Attorney**



---

**DATE:** April 7, 2026  
**FROM:** Denisse Hernandez, Interim Planning Director  
**ITEM:** **Discussion and possible action to Consideration and Action on First Reading of Ordinance 2026-09 to Rezone Lot 4 Block 64 Capisallo District**

---

**BACKGROUND INFORMATION: DESCRIPTION:**

Consideration and possible action on a request to rezone Lot 4, Block 64, Capisallo District Subdivision, Hidalgo County, Texas, from its current designation of "N" (Newly Annexed) to Class "R-1" Single-Family Residential District.

**PROJECT OVERVIEW:**

- The subject property encompasses approximately 40 acres.
- The applicant is proposing a single-family residential subdivision consisting of 210 residential lots.
- The request aligns with the City of Mercedes Future Land Use Plan, which designates this area for Low Density Residential.
- Per city standards, Low Density Residential primarily consists of single-family dwellings with a maximum density of four (4) units per acre.
- The rezone is part of the subdivision requirements for them to obtain a pre-construction meeting.

**BOARD REVIEW/CITIZEN FEEDBACK:** The Planning & Zoning Commission approved this request on March 2, 2026, pending final administrative review and the addressing of all City staff comments.

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**  
\$

**Account Number(s):**

**Finance Review by:** Not Applicable

**LEGAL REVIEW:** Not Applicable

**ATTACHMENTS:**

1. ORDINANCE NO 2026-09 RODEO ESTATES
2. 01 - Plat

**STAFF RECOMMENDATION:** City staff recommends approval of the rezone request. This recommendation is subject to the applicant addressing all city comments and meeting all infrastructure requirements.

**ORDINANCE NO. 2026-09**

**AN ORDINANCE CHANGING THE CLASSIFICATION FOR ZONING PURPOSES OF THE FOLLOWING TRACT OF LAND: LOT 4, BLOCK 64, CAPISALLO DISTRICT SUBDIVISION (39.45 ACRES) FROM CLASS “N” NEWLY ANNEXED DISTRICT TO CLASS “R-1” SINGLE-FAMILY RESIDENTIAL DISTRICT; PROVIDING FOR A SAVINGS AND REPEAL CLAUSE; PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, on the 2<sup>nd</sup> day of March, 2026 a public hearing was held for the purpose of hearing any objections as to why: **LOT 4, BLOCK 64, CAPISALLO DISTRICT SUBDIVISION (39.45 ACRES)**, Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “N” Newly Annexed District to Class “R-1” Single-Family Residential District.

**WHEREAS**, the City Commission at its Regular Meeting of March 17<sup>th</sup>, 2026, having considered the rezoning of the above-described property as listed in the foregoing section and having heard the pros and cons as to such rezoning request, is of the opinion that the aforementioned rezoning is in the best interest of the City of Mercedes, Texas.

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

**Section 1: LOT 4, BLOCK 64, CAPISALLO DISTRICT SUBDIVISION (39.45 ACRES), Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “N” Newly Annexed District to “R-1” Single-Family Residential District.**

**Section 2:** That the aforementioned rezoning of the above property be incorporated into the official map of the City of Mercedes, Texas by the City Planner of said City.

**Section 3:** That if any provision, section, subsection, phrase, paragraph, sentence, clause or portion of this Ordinance shall for any reason be declared invalid, such invalidity shall not affect the remaining provisions of this Ordinance or their application of persons or sets of circumstances and to this end, all provisions of this Ordinance or parts of Ordinances in conflict herewith are hereby repealed.

**Section 4:** 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 7<sup>TH</sup> DAY OF APRIL, 2026.**

**PASSED, APPROVED AND ADOPTED ON SECOND READING THIS THE 21<sup>ST</sup> DAY OF APRIL, 2026.**

**CITY OF MERCEDES**

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**Oscar D. Montoya, Sr., Mayor**

**ATTEST:**

**APPROVED AS TO FORM:**

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**Joselynn Castillo**  
**City Secretary**

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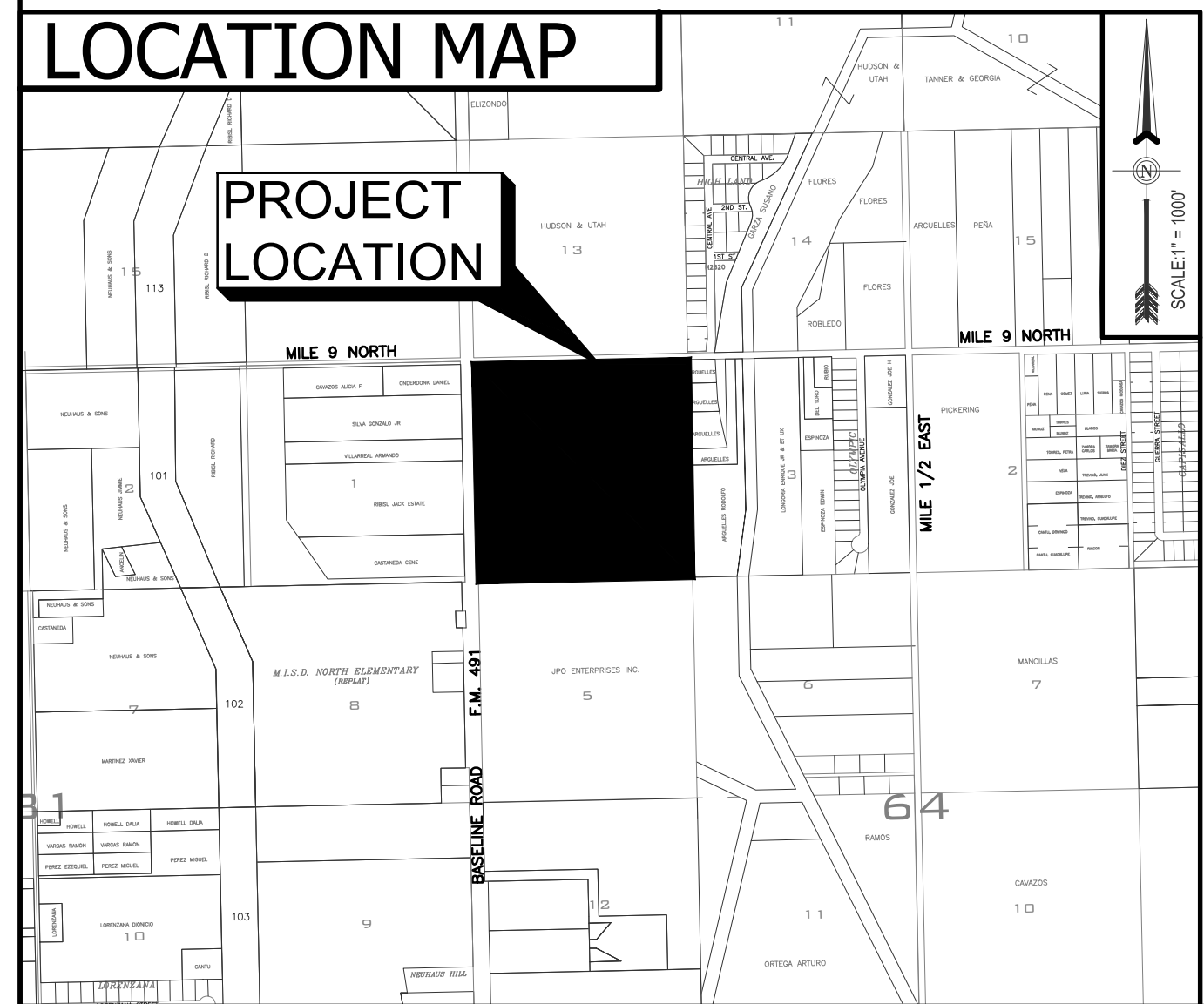
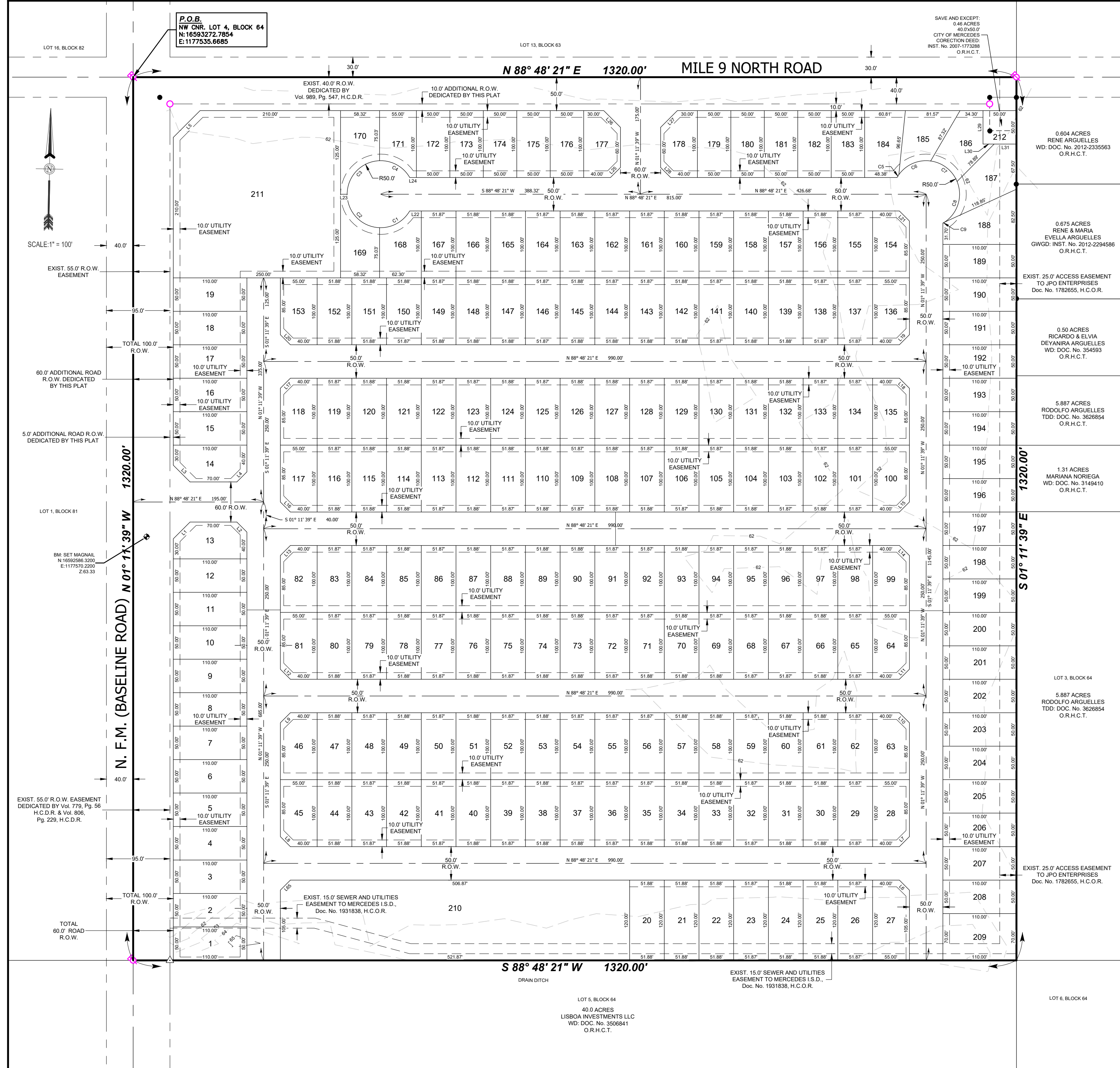
**Martie Garcia Vela**  
**City Attorney**

# SUBDIVISION MAP OF RODEO ESTATES SUBDIVISION

BEING A SUBDIVISION OF A 40.000 ACRE TRACT OF LAND,  
BEING THE SOUTH 10 ACRES OF LOT 4, BLOCK 64,  
CAPISALLO DISTRICT SUBDIVISION, HIDALGO COUNTY, TEXAS, AS PER  
MAP OR PLAN THEREOF RECORDED IN VOLUME P, PAGE 226,  
DEED RECORDS, HIDALGO COUNTY, TEXAS.

Lot Area Table			Lot Area Table			Lot Area Table			Lot Area Table		
Lot #	SQ. FT.	Area	Lot #	SQ. FT.	Area	Lot #	SQ. FT.	Area	Lot #	SQ. FT.	Area
1	5500.00	0.126	61	5187.50	0.119	121	5187.50	0.119	181	5000.00	0.115
2	5500.00	0.126	62	5187.50	0.119	122	5187.50	0.119	182	5000.00	0.115
3	5500.00	0.126	63	5387.50	0.124	123	5187.50	0.119	183	5000.00	0.115
4	5500.00	0.126	64	5387.50	0.124	124	5187.50	0.119	184	5558.58	0.128
5	5500.00	0.126	65	5187.50	0.119	125	5187.50	0.119	185	5007.59	0.115
6	5500.00	0.126	66	5187.50	0.119	126	5187.50	0.119	186	5193.99	0.119
7	5500.00	0.126	67	5187.50	0.119	127	5187.50	0.119	187	6236.86	0.143
8	5500.00	0.126	68	5187.50	0.119	128	5187.50	0.119	188	6296.76	0.145
9	5500.00	0.126	69	5187.50	0.119	129	5187.50	0.119	189	5500.00	0.126
10	5500.00	0.126	70	5187.50	0.119	130	5187.50	0.119	190	5500.00	0.126
11	5500.00	0.126	71	5187.50	0.119	131	5187.50	0.119	191	5500.00	0.126
12	5500.00	0.126	72	5187.50	0.119	132	5187.50	0.119	192	5500.00	0.126
13	5625.00	0.129	73	5187.50	0.119	133	5187.50	0.119	193	5500.00	0.126
14	5625.00	0.129	74	5187.50	0.119	134	5187.50	0.119	194	5500.00	0.126
15	5500.00	0.126	75	5187.50	0.119	135	5387.50	0.124	195	5500.00	0.126
16	5500.00	0.126	76	5187.50	0.119	136	5387.50	0.124	196	5500.00	0.126
17	5500.00	0.126	77	5187.50	0.119	137	5187.50	0.119	197	5500.00	0.126
18	5500.00	0.126	78	5187.50	0.119	138	5187.50	0.119	198	5500.00	0.126
19	5500.00	0.126	79	5187.50	0.119	139	5187.50	0.119	199	5500.00	0.126
20	6225.00	0.143	80	5187.50	0.119	140	5187.50	0.119	200	5500.00	0.126
21	6225.00	0.143	81	5387.50	0.124	141	5187.50	0.119	201	5500.00	0.126
22	6225.00	0.143	82	5387.50	0.124	142	5187.50	0.119	202	5500.00	0.126
23	6225.00	0.143	83	5187.50	0.119	143	5187.50	0.119	203	5500.00	0.126
24	6225.00	0.143	84	5187.50	0.119	144	5187.50	0.119	204	5500.00	0.126
25	6225.00	0.143	85	5187.50	0.119	145	5187.50	0.119	205	5500.00	0.126
26	6225.00	0.143	86	5187.50	0.119	146	5187.50	0.119	206	5500.00	0.126
27	6487.50	0.149	87	5187.50	0.119	147	5187.50	0.119	207	5500.00	0.126
28	5387.50	0.124	88	5187.50	0.119	148	5187.50	0.119	208	5500.00	0.126
29	5187.50	0.119	89	5187.50	0.119	149	5187.50	0.119	209	7750.00	0.177
30	5187.50	0.119	90	5187.50	0.119	150	5187.50	0.119	210	6252.50	0.143
31	5187.50	0.119	91	5187.50	0.119	151	5187.50	0.119	211	6170.00	0.141
32	5187.50	0.119	92	5187.50	0.119	152	5187.50	0.119	212	2500.00	0.057
33	5187.50	0.119	93	5187.50	0.119	153	5387.50	0.124			
34	5187.50	0.119	94	5187.50	0.119	154	5387.50	0.124			
35	5187.50	0.119	95	5187.50	0.119	155	5187.50	0.119			
36	5187.50	0.119	96	5187.50	0.119	156	5187.50	0.119			
37	5187.50	0.119	97	5187.50	0.119	157	5187.50	0.119			
38	5187.50	0.119	98	5187.50	0.119	158	5187.50	0.119			
39	5187.50	0.119	99	5387.50	0.124	159	5187.50	0.119			
40	5187.50	0.119	100	5387.50	0.124	160	5187.50	0.119			
41	5187.50	0.119	101	5187.50	0.119	161	5187.50	0.119			
42	5187.50	0.119	102	5187.50	0.119	162	5187.50	0.119			
43	5187.50	0.119	103	5187.50	0.119	163	5187.50	0.119			
44	5187.50	0.119	104	5187.50	0.119	164	5187.50	0.119			
45	5387.50	0.124	105	5187.50	0.119	165	5187.50	0.119			
46	5387.50	0.124	106	5187.50	0.119	166	5187.50	0.119			
47	5187.50	0.119	107	5187.50	0.119	167	5187.50	0.119			
48	5187.50	0.119	108	5187.50	0.119	168	5420.59	0.124			
49	5187.50	0.119	109	5187.50	0.119	169	5410.68	0.124			
50	5187.50	0.119	110	5187.50	0.119	170	5410.68	0.124			
51	5187.50	0.119	111	5187.50	0.119	171	4990.35	0.108			
52	5187.50	0.119	112	5187.50	0.119	172	5000.00	0.115			
53	5187.50	0.119	113	5187.50	0.119	173	5000.00	0.115			
54	5187.50	0.119	114	5187.50	0.119	174	5000.00	0.115			
55	5187.50	0.119	115	5187.50	0.119	175	5000.00	0.115			
56	5187.50	0.119	116	5187.50	0.119	176	5000.00	0.115			
57	5187.50	0.119	117	5387.50	0.124	177	5075.00	0.117			
58	5187.50	0.119	118	5387.50	0.124	178	5075.00	0.117			
59	5187.50	0.119	119	5187.50	0.119	179	5000.00	0.115			
60	5187.50	0.119	120	5187.50	0.119	180	5000.00	0.115			

Curve Table						
Curve #	Length	Radius	Delta	Chord Direction	Chord Length	Tangent
C1	54.04'	50.00'	061° 55' 21"	N59° 46' 01"E	51.45'	30.00'
C2	76.86'	50.00'	088° 04' 30"	S45° 13' 59"E	69.51'	48.35'
C3	76.86'	50.00'	088° 04' 30"	S42° 50' 40"W	69.51'	48.35'
C4	54.04'	50.00'	061° 55' 21"	N62° 09' 20"W	51.45'	30.00'
C5	4.59'	50.00'	005° 15' 17"	S31° 25' 59"W	4.58'	2.29'
C6	54.56'	50.00'	062° 31' 12"	S65° 19' 14"W	51.89'	30.35'
C7	52.33'	50.00'	059° 57' 41"	N53° 26' 20"W	49.97'	28.84'
C8	69.46'	50.00'	079° 39' 56"	N16° 20' 28"E	64.01'	41.66'
C9	2.33'	50.00'	002° 39' 55"	N57° 28' 23"E	2.33'	1.16'



- LEGEND**
- - FOUND 1/2" IRON ROD OR AS NOTED
  - - SET 1/2" IRON ROD w/ 7/16" CAP STAMPED "C.S. R.P.L. #1000"
  - ▲ - CALCULATED POINT
  - - FOUND "X" MARK
  - - FOUND 2" IRON PIPE OR AS NOTED
  - - POINT OF BEGINNING
  - SE - SOUTHEAST
  - CNR - CORNER
  - SECT. - SECTION
  - R.O.W. - RIGHT OF WAY
  - VOL. - VOLUME
  - P.L. - PAGE
  - DOC. - DOCUMENT
  - A.F.H. - AFFIDAVIT OF HERSHIP
  - S.W.D. - SPECIAL WARRANTY DEED
  - D.W.K. - DEED WITHOUT WARRANTY
  - O.R.H.C.T. - OFFICIAL RECORDS HIDALGO COUNTY TEXAS
  - M.R.H.C.T. - MAP RECORDS HIDALGO COUNTY TEXAS
  - D.R.H.C.T. - DEED RECORDS HIDALGO COUNTY TEXAS

**RIOPLEX ENGINEERING**

FIRM No. 26964  
1200 Auburn Ave., Suite 280 Office # (956) 631-8327  
McAllen, Tx. 78504 rioplexengineering.com

PRINCIPAL CONTACTS	ADDRESS	CITY & ZIP	PHONE
OWNER: VICTOR J DANIEC, C.E.O.	5121 W STATE HIGHWAY 107	EDINBURG, TX 78539	C/O (956) 330-2433
ENGINEER: KELLEY HELLER-VELA, P.E.	1200 AUBURN AVE, SUITE 280	MCALLEN, TX 78504	(956) 330-2433
SURVEYOR: MANNY CARRIZALES, R.P.L.S.	4807 GONDOLA AVE.	EDINBURG, TX. 78542	(956) 567-2167

FILED FOR RECORD IN  
HIDALGO COUNTY  
ARTURO GUAJARDO, JR.  
HIDALGO COUNTY CLERK

ON: \_\_\_\_\_ AT \_\_\_\_\_ AM/PM  
INSTRUMENT NUMBER \_\_\_\_\_  
OF THE MAP RECORDS OF HIDALGO COUNTY, TEXAS  
BY: \_\_\_\_\_ DEPUTY

**DATE:** April 7, 2026  
**FROM:** Meredith Hernandez, Interim Finance Director  
**ITEM:** **Discussion and possible action to Consideration and Action on First Reading of Ordinance 2026-11 to amend Article 13 "Utilities"**

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**BACKGROUND INFORMATION:**

**BACKGROUND:**

Staff has conducted a review of the City's current utility ordinance and identified gaps related to enforcement, unauthorized use of water, infrastructure protection, and compliance with state regulatory standards. The proposed amendments are intended to strengthen the City's ability to regulate its water and wastewater system, reduce system losses, and ensure compliance with applicable rules of the Texas Commission on Environmental Quality.

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**SUMMARY OF HIGHLIGHTED CHANGES:**

**1. Expanded Definition of Tampering and Unauthorized Use**

- Clarifies that tampering includes:
    - Removal or breaking of meter locks
    - Unauthorized reconnection of water service
    - Bypassing or altering meters
    - Sharing water between properties (e.g., hoses or other connections)
  - Establishes that **both the person providing and receiving unauthorized water service are in violation.**
- 

**2. Enhanced Enforcement and Penalties**

- Establishes:
    - Criminal penalties up to \$2,000 per day per violation
    - Civil penalties up to \$5,000 per day
  - Adds authority for the City to recover:
    - Cost of repairs
    - Value of unmetered water
    - Administrative tampering fees
  - Clarifies that each day a violation continues constitutes a separate offense.
-

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**3. Presumptive Evidence Standard**

- Allows enforcement based on evidence such as:
  - Presence of bypass devices
  - Altered or removed locks
  - Modified meters
- Eliminates the need to catch an individual in the act to establish a violation.

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**4. Security Deposit and Service Restoration Requirements**

- Authorizes the City to apply a customer’s deposit toward unpaid balances upon disconnection.
- Requires customers to **re-establish a new deposit equal to the unpaid balance** prior to service restoration.
- Applies this requirement each time service is disconnected for non-payment.

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**5. Updated Fire Hydrant and Infrastructure Standards**

- Establishes detailed specifications for:
  - Fire hydrants
  - Double strap saddles
- Requires compliance with:
  - AWWA standards
  - NFPA standards
  - Texas Commission on Environmental Quality regulations
- Ensures uniform installation, safety, and long-term system reliability.

**BOARD REVIEW/CITIZEN FEEDBACK:** (Let us know if this was approved or denied by a board)

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**  
\$

**Account Number(s):**

**Finance Review by:** (Has finance reviewed it to make sure we have the funds Yes/No/Not Applicable)

**LEGAL REVIEW:**

**ATTACHMENTS:**

- 1. ORDINANCE NO 2026-11 WATER AND SEWER
- 2. CHANGES

**STAFF RECOMMENDATION:** Staff recommends approval of the ordinance amendments as presented to enhance enforcement capabilities, protect City infrastructure, and ensure regulatory compliance.

**ORDINANCE NO. 2026-11**

**AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, AMENDING ARTICLE 13 UTILITIES BY UPDATING AND ESTABLISHING WATER AND SEWER REGULATIONS, INCLUDING LOCATION-BASED UTILITY RATES, TAP AND ACCESS FEES, SUBDIVISION WATER SYSTEM ACCESS FEES, METERING REQUIREMENTS IN COMPLIANCE WITH STATE LAW, AND MASTER METER PROVISIONS FOR PROPERTIES OUTSIDE CITY LIMITS; PROVIDING FOR COST RECOVERY, SYSTEM PROTECTION, AND EQUITABLE SERVICE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING 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 water and wastewater ordinances to ensure proper operation, maintenance, and financial sustainability of the utility system;

**WHEREAS**, the City provides water and sewer services both within its corporate limits and to properties located within its extraterritorial jurisdiction (ETJ) and its Certificate of Convenience and Necessity (CCN) service area;

**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. CONNECTION REQUIRED.**

(a) Requirements for connection to public water and sewer system.

- (1) Any applicant seeking to plat property or property owner seeking a building permit within the city limits or ETJ of the city, or within its Certificate of Convenience and Necessity (CCN) service area, are required to connect to the city's water distribution and wastewater collection systems, unless property is too far from such systems as determined solely by the city manager, or his designee.
- (2) Whenever, by reason of the extension of any sewer line or lines of the city, or its successors, property with toilet facilities using private septic systems comes within two hundred feet (200 ft.) of any such usable sewer line, the owners shall contract with said city, or its successors, to connect with such sewer line within sixty (60) days thereafter and shall cause effective connection not later than thirty (30) days later.
- (3) The city of Mercedes shall exercise its authority granted pursuant to the Texas Local Government Code, 214.013:
  - A. A municipality may:
    - i. Provide for a sanitary sewer system; and
    - ii. Require property owners to connect to the sewer system.
  - B. If an owner does not connect to the sewer system, the municipality may:
    - i. Fix a lien against the owner's property;

- ii. Charge the cost of the connection to the owner as a personal liability; and
  - iii. Impose a penalty on the owner.
- (b) Failure to connect to public sewer. It shall be unlawful for any person, whether as owner, as agent of the owner, or as a lessee, tenant, proprietor or occupant, of any building or part of building coming within the provisions of this chapter, to construct, use or maintain, or permit to be constructed, used or maintained, upon the lot, parcel of land or premises upon which the building or part of building is located, any privy, water closet, urinal, slop drain, bathtub drain, shower/bath drain, wastewater drain or other receptacle whatever, used or to be used for the purpose of receiving and discharging sewage matter or slop of any kind, unless such receptacle shall be connected with the city sewer system and be kept and maintained in proper working condition.
- (c) Penalty. Any person violating any provision of this chapter shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine not exceeding \$2,000.00. Each day any violation of this chapter shall continue shall constitute a separate offense; provided, however, that, the imposition of any such fine for any such violation shall not constitute an estoppel for other relief against any such violation available at law.

**SECTION II. TAMPERING WITH WATER METER OR WATER SYSTEM; UNLAWFUL USE OF WATER.**

- (a) It shall be unlawful for any unauthorized person to tamper with, adjust, replace or misuse any water meter owned by the city.
- (b) Any person who directly or indirectly by any means or device tampers with, alters, or injures any part of the waterworks system of the city, or who prevents the passage of water through any meter belonging to the city water system, or who in any way prevents or interfere any meter used in connection with the supply of water to any consumer by said city water system from correctly registering or reading the amount of water passing through such meter, or who prevents a meter from correctly registering water supplied, or who in any way interferes with the proper action or correct registration of a city water meter or utility infrastructure, or who, without consent in writing from the city manager, diverts any water from any pipe or pipes of the city water system, or otherwise uses or causes to be used, without the written consent of the city manager, any water produced or distributed by said water system, or who retains possession of or refuses to deliver any meter, materials, or equipment belonging to the city water system, regardless of how the same came into his or her possession, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in accordance with the general penalty provided in this section.
- (c) The presence of a bypass, tampering device, or modified meter on a property shall be presumptive evidence that the customer of record or the person receiving water at that location caused the tampering. It is not required to catch a person in the act of tampering to establish a violation.
- (d) Tampering with the City's water system shall include, but not be limited to, the unauthorized removal or breaking of any lock placed on a water meter or service connection, and the illegal reconnection or use of water service without authorization from the City.
- (e) Tampering shall also include the transfer or sharing of water from one property to another by any means, including the use of hoses, pipes, or other devices to supply water to a separate property or customer. Any person providing such unauthorized connection, as well as any person receiving water in this manner, shall both be considered in violation of this section and shall be subject to the penalties prescribed herein.
- (f) Penalties for Violations.
  - (1) Criminal Penalty: Any person violating this section shall be guilty of a Class C

Misdemeanor and, upon conviction, shall be fined up to \$2,000.00 per day. Each day a violation continues constitutes a separate offense.

- (2) **Civil Penalty:** In addition to criminal fines, the City may pursue a civil penalty of up to \$5,000.00 per day in a court of competent jurisdiction for violations that occur within the City's service area.
  - (3) **Restitution and Administrative Fees:** Any person found in violation shall be liable to the City for the full cost of repairs, the estimated value of unmetered water, and a non-refundable administrative tampering fee.
- (g) In the event that a utility service is discontinued due to non-payment, the City is authorized to apply the customer's existing security deposit toward the outstanding delinquent balance to cover the amount due. Before service can be restored, the account holder is required to replenish the security deposit by paying a new amount equal to the total sum of the monthly billings that remained unpaid at the time of disconnection. This requirement to provide a new deposit shall be mandatory every time a service is discontinued for non-payment and a previous deposit has been applied to the balance.

### **SECTION III. WATER SYSTEM ESTABLISHED.**

There shall be a city water system organized and managed as provided by the city commission.

### **SECTION IV. RULES AND REGULATIONS FOR WATER SERVICE.**

The water department, under the direction of the city manager, is hereby authorized and directed to establish such rules, regulations and conditions for the furnishing of water to customers as in his judgment shall be proper; provided, however, that such rules, regulations and conditions shall not be contrary to any applicable ordinance or law.

### **SECTION V. INSTALLATION OF SEWER CONNECTION.**

The city shall provide a wye in the alley or street adjacent to the lot or nearest corner of the connector's property, within one foot of the surface of the ground. The house connection from the city lateral shall be installed at the expense of the connector in accordance with the regulations of and subject to the inspection of the city.

### **SECTION VI. PERMIT FOR SEWER CONNECTION.**

No person shall make a connection to the city's sewer system without a permit.

### **SECTION VII. FIRE HYDRANT AND DOUBLE STRAP SADDLE SPECIFICATIONS.**

- (a) **Purpose.** The purpose of this section is to establish uniform specifications and installation requirements for fire hydrants and double strap saddles used within the City of Mercedes, Texas, to ensure compliance with industry standards, public safety, and protection of the City's water infrastructure.
- (b) **Double strap saddle specifications.** All double strap saddles installed within the City shall meet the following minimum requirements:
  1. Outlet tapped with either AWWA taper (C.C.) or AWWA I.P. thread (F.I.P.T.).
  2. Maximum working pressure: 200 psig (1380 kPa/13.80).

3. Only double strap saddles are permitted.
4. Straps shall be made of brass.
5. Straps shall be flattened silicon brazed.
6. Cast nuts shall have integral washers.
7. Straps shall have rolled threads.
8. Outlet shall be O-ring sealed.
9. All saddles three (3) inches and above shall be brass.
10. Saddles shall meet all applicable parts of ANSI/AWWA C800.
11. Saddles shall be NSF 61 certified.
12. All components in contact with potable water must comply with the U.S. Federal Safe Drinking Water Act, effective January 4, 2014.

(c) Fire hydrant specifications.

1. General requirements.
  - A. Hydrants shall comply with AWWA C502, AWWA C550 (coatings), AWWA C111 (joints), NSF/ANSI 61 & 372, and TCEQ 30 TAC 290.
  - B. Hydrants shall be installed in accordance with NFPA 24.
  - C. Fire flow testing and color coding shall be in accordance with NFPA 291.
  - D. Hydrants must be UL/FM approved where required.
2. Performance standards.
  - A. Working pressure: 250 psi minimum.
  - B. Hydrostatic test: 500 psi.
  - C. Main valve opening: 5-1/4 inch minimum.
  - D. Nozzles: two (2) 2-1/2 inch NST and one (1) 4-1/2 inch NST, with local fire department threads as directed.
  - E. Operating direction: open left (counter-clockwise) unless otherwise directed.
  - F. Drainage: automatic drains with gravel pocket, or plugs where groundwater risk exists.
  - G. Materials: ductile iron body, bronze seat rings, stainless steel stem, EPDM O-rings.
  - H. Coating: fusion bonded epoxy, inside and outside, per AWWA C550, 8-12 mil DFT.
  - I. Markings: year, manufacturer, and open direction cast on hydrant.
  - J. Warranty: minimum ten (10) years on hydrant and twenty-five (25) years on main valve/bonnet sealing.

(d) Fire hydrant installation requirements.

1. Hydrants shall only be installed on mains six (6) inches in diameter or larger. Each hydrant shall have a six-inch auxiliary resilient-seated gate valve located two
2. to five (5) feet from the hydrant shoe.
3. Hydrant bury depth shall provide eighteen (18) inches  $\pm$  two (2) inches nozzle height above grade.
4. Thrust blocks or mechanical restraint shall be provided at all tees and fittings.
5. A minimum of three (3) feet clear space shall be maintained around hydrant, with pumper nozzle oriented toward roadway.
6. Hydrant leads shall be disinfected and tested per AWWA C600 and C651.
7. Fire flow testing shall be performed, and hydrants painted per NFPA 291 color coding.
8. The top of the hydrant shall have an all-weather protective cap.
9. Hydrants shall feature a 304 stainless steel upper stem piece for corrosion resistance and strength.

10. Hydrants shall include a drainage system at the hydrant shoe to keep interior dry when not in use.
  11. Spare parts shall be interchangeable between models and compatible with at least ninety (90) percent of previous years' models.
- (e) Enforcement. All contractors, developers, and City departments shall comply with the specifications contained in this section. No hydrant or saddle shall be accepted by the City unless it meets these requirements.

## **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 7TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2026.**

**1st Reading: April 7, 2026**

**2nd Reading: April 21, 2026**

**CITY OF MERCEDES:**

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**Oscar D. Montoya, Mayor**

**ATTEST:**

**APPROVED AS TO FORM:**

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**Joselynn Castillo**  
**City Secretary**

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**Martie Garcia Vela**  
**City Attorney**

**ORDINANCE NO. 2026-**

**AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, AMENDING ARTICLE 13 UTILITIES BY UPDATING AND ESTABLISHING WATER AND SEWER REGULATIONS, INCLUDING LOCATION-BASED UTILITY RATES, TAP AND ACCESS FEES, SUBDIVISION WATER SYSTEM ACCESS FEES, METERING REQUIREMENTS IN COMPLIANCE WITH STATE LAW, AND MASTER METER PROVISIONS FOR PROPERTIES OUTSIDE CITY LIMITS; PROVIDING FOR COST RECOVERY, SYSTEM PROTECTION, AND EQUITABLE SERVICE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING 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 water and wastewater ordinances to ensure proper operation, maintenance, and financial sustainability of the utility system;

**WHEREAS**, the City provides water and sewer services both within its corporate limits and to properties located within its extraterritorial jurisdiction (ETJ) and its Certificate of Convenience and Necessity (CCN) service area;

**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. CONNECTION REQUIRED.**

(a) Requirements for connection to public water and sewer system.

- (1) Any applicant seeking to plat property or property owner seeking a building permit within the city limits or ETJ of the city, or within its Certificate of Convenience and Necessity (CCN) service area, are required to connect to the city's water distribution and wastewater collection systems, unless property is too far from such systems as determined solely by the city manager, or his designee.
- (2) Whenever, by reason of the extension of any sewer line or lines of the city, or its successors, property with toilet facilities using private septic systems comes within two hundred feet (200 ft.) of any such usable sewer line, the owners shall contract with said city, or its successors, to connect with such sewer line within sixty (60) days thereafter and shall cause effective connection not later than thirty (30) days later.
- (3) The city of Mercedes shall exercise its authority granted pursuant to the Texas Local Government Code, 214.013:
  - A. A municipality may:
    - i. Provide for a sanitary sewer system; and
    - ii. Require property owners to connect to the sewer system.
  - B. If an owner does not connect to the sewer system, the municipality may:
    - i. Fix a lien against the owner's property;

- ii. Charge the cost of the connection to the owner as a personal liability; and
  - iii. Impose a penalty on the owner.
- (b) Failure to connect to public sewer. It shall be unlawful for any person, whether as owner, as agent of the owner, or as a lessee, tenant, proprietor or occupant, of any building or part of building coming within the provisions of this chapter, to construct, use or maintain, or permit to be constructed, used or maintained, upon the lot, parcel of land or premises upon which the building or part of building is located, any privy, water closet, urinal, slop drain, bathtub drain, shower/bath drain, wastewater drain or other receptacle whatever, used or to be used for the purpose of receiving and discharging sewage matter or slop of any kind, unless such receptacle shall be connected with the city sewer system and be kept and maintained in proper working condition.
- (c) Penalty. Any person violating any provision of this chapter shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine not exceeding \$2,000.00. Each day any violation of this chapter shall continue shall constitute a separate offense; provided, however, that, the imposition of any such fine for any such violation shall not constitute an estoppel for other relief against any such violation available at law.

**SECTION II. TAMPERING WITH WATER METER OR WATER SYSTEM; UNLAWFUL USE OF WATER.**

- (a) It shall be unlawful for any unauthorized person to tamper with, adjust, replace or misuse any water meter owned by the city.
- (b) Any person who directly or indirectly by any means or device tampers with, alters, or injures any part of the waterworks system of the city, or who prevents the passage of water through any meter belonging to the city water system, or who in any way prevents or interfere any meter used in connection with the supply of water to any consumer by said city water system from correctly registering **or reading** the amount of water passing through such meter, or who prevents a meter from correctly registering water supplied, or who in any way interferes with the proper action or correct registration of a city water meter, or who, without consent in writing from the city manager, diverts any water from any pipe or pipes of the city water system, or otherwise uses or causes to be used, without the written consent of the city manager, any water produced or distributed by said water system, or who retains possession of or refuses to deliver any meter, materials, or equipment belonging to the city water system, regardless of how the same came into his or her possession, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in accordance with the general penalty provided in ~~section 1.01.009 of this code, and each violation and each day of violation shall constitute a separate offense~~ **this section.**
- (c) The presence of a bypass, tampering device, or modified meter on a property shall be presumptive evidence that the customer of record or the person receiving water at that location caused the tampering. It is not required to catch a person in the act of tampering to establish a violation.
- (d) Tampering with the City's water system shall include, but not be limited to, the unauthorized removal or breaking of any lock placed on a water meter or service connection, and the illegal reconnection or use of water service without authorization from the City.
- (e) Tampering shall also include the transfer or sharing of water from one property to another by any means, including the use of hoses, pipes, or other devices to supply water to a separate property or customer. Any person providing such unauthorized connection, as well as any person receiving water in this manner, shall both be considered in violation of this section and shall be subject to the penalties prescribed herein.
- (f) Penalties for Violations.

- (1) Criminal Penalty: Any person violating this section shall be guilty of a Class C Misdemeanor and, upon conviction, shall be fined up to \$2,000.00 per day. Each day a violation continues constitutes a separate offense.
  - (2) Civil Penalty: In addition to criminal fines, the City may pursue a civil penalty of up to \$5,000.00 per day in a court of competent jurisdiction for violations that occur within the City's service area.
  - (3) Restitution and Administrative Fees: Any person found in violation shall be liable to the City for the full cost of repairs, the estimated value of unmetered water, and a non-refundable administrative tampering fee.
- (g) In the event that a utility service is discontinued due to non-payment, the City is authorized to apply the customer's existing security deposit toward the outstanding delinquent balance to cover the amount due. Before service can be restored, the account holder is required to replenish the security deposit by paying a new amount equal to the total sum of the monthly billings that remained unpaid at the time of disconnection. This requirement to provide a new deposit shall be mandatory every time a service is discontinued for non-payment and a previous deposit has been applied to the balance.

### **SECTION III. WATER SYSTEM ESTABLISHED.**

There shall be a city water system organized and managed as provided by the city commission.

### **SECTION IV. RULES AND REGULATIONS FOR WATER SERVICE.**

The water department, under the direction of the city manager, is hereby authorized and directed to establish such rules, regulations and conditions for the furnishing of water to customers as in his judgment shall be proper; provided, however, that such rules, regulations and conditions shall not be contrary to any applicable ordinance or law.

### **SECTION V. INSTALLATION OF SEWER CONNECTION.**

The city shall provide a wye in the alley or street adjacent to the lot or nearest corner of the connector's property, within one foot of the surface of the ground. The house connection from the city lateral shall be installed at the expense of the connector in accordance with the regulations of and subject to the inspection of the city.

### **SECTION VI. PERMIT FOR SEWER CONNECTION.**

No person shall make a connection to the city's sewer system without a permit.

### **SECTION VII. FIRE HYDRANT AND DOUBLE STRAP SADDLE SPECIFICATIONS.**

- (a) Purpose. The purpose of this section is to establish uniform specifications and installation requirements for fire hydrants and double strap saddles used within the City of Mercedes, Texas, to ensure compliance with industry standards, public safety, and protection of the City's water infrastructure.
- (b) Double strap saddle specifications. All double strap saddles installed within the City shall meet the following minimum requirements:
  1. Outlet tapped with either AWWA taper (C.C.) or AWWA I.P. thread (F.I.P.T.).
  2. Maximum working pressure: 200 psig (1380 kPa/13.80).

3. Only double strap saddles are permitted.
4. Straps shall be made of brass.
5. Straps shall be flattened silicon brazed.
6. Cast nuts shall have integral washers.
7. Straps shall have rolled threads.
8. Outlet shall be O-ring sealed.
9. All saddles three (3) inches and above shall be brass.
10. Saddles shall meet all applicable parts of ANSI/AWWA C800.
11. Saddles shall be NSF 61 certified.
12. All components in contact with potable water must comply with the U.S. Federal Safe Drinking Water Act, effective January 4, 2014.

(c) Fire hydrant specifications.

1. General requirements.
  - A. Hydrants shall comply with AWWA C502, AWWA C550 (coatings), AWWA C111 (joints), NSF/ANSI 61 & 372, and TCEQ 30 TAC 290.
  - B. Hydrants shall be installed in accordance with NFPA 24.
  - C. Fire flow testing and color coding shall be in accordance with NFPA 291.
  - D. Hydrants must be UL/FM approved where required.
2. Performance standards.
  - A. Working pressure: 250 psi minimum.
  - B. Hydrostatic test: 500 psi.
  - C. Main valve opening: 5-1/4 inch minimum.
  - D. Nozzles: two (2) 2-1/2 inch NST and one (1) 4-1/2 inch NST, with local fire department threads as directed.
  - E. Operating direction: open left (counter-clockwise) unless otherwise directed.
  - F. Drainage: automatic drains with gravel pocket, or plugs where groundwater risk exists.
  - G. Materials: ductile iron body, bronze seat rings, stainless steel stem, EPDM O-rings.
  - H. Coating: fusion bonded epoxy, inside and outside, per AWWA C550, 8-12 mil DFT.
  - I. Markings: year, manufacturer, and open direction cast on hydrant.
  - J. Warranty: minimum ten (10) years on hydrant and twenty-five (25) years on main valve/bonnet sealing.

(d) Fire hydrant installation requirements.

1. Hydrants shall only be installed on mains six (6) inches in diameter or larger. Each hydrant shall have a six-inch auxiliary resilient-seated gate valve located two
2. to five (5) feet from the hydrant shoe.
3. Hydrant bury depth shall provide eighteen (18) inches  $\pm$  two (2) inches nozzle height above grade.
4. Thrust blocks or mechanical restraint shall be provided at all tees and fittings.
5. A minimum of three (3) feet clear space shall be maintained around hydrant, with pumper nozzle oriented toward roadway.
6. Hydrant leads shall be disinfected and tested per AWWA C600 and C651.
7. Fire flow testing shall be performed, and hydrants painted per NFPA 291 color coding.
8. The top of the hydrant shall have an all-weather protective cap.
9. Hydrants shall feature a 304 stainless steel upper stem piece for corrosion resistance and strength.

10. Hydrants shall include a drainage system at the hydrant shoe to keep interior dry when not in use.
  11. Spare parts shall be interchangeable between models and compatible with at least ninety (90) percent of previous years' models.
- (e) Enforcement. All contractors, developers, and City departments shall comply with the specifications contained in this section. No hydrant or saddle shall be accepted by the City unless it meets these requirements.

**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 7TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2026.**

**1st Reading: April 7, 2026**

**2nd Reading: April 21, 2026**

**CITY OF MERCEDES:**

\_\_\_\_\_  
**Oscar D. Montoya, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Joselynn Castillo**  
**City Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Martie Garcia Vela**  
**City Attorney**



**DATE:** April 7, 2026  
**FROM:** Meredith Hernandez, Interim Finance Director  
**ITEM:** **Discussion and possible action to Consideration and Action on First Reading of Ordinance 2026-12 to amend Article A8.000 "Utility Rates and Charges"**

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**BACKGROUND INFORMATION:**

**BACKGROUND:**

The City of Mercedes provides water and wastewater services both within the city limits and to properties located in the extraterritorial jurisdiction (ETJ) and within the City's certificated service area (CCN). Over time, the City's utility ordinances have not fully addressed differences in service location, infrastructure demands, and regulatory requirements.

Additionally, increased development activity, particularly in subdivisions outside city limits, and ongoing compliance requirements from the Texas Commission on Environmental Quality necessitate updates to ensure the City's utility system remains financially sustainable, operationally efficient, and compliant with state regulations.

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**SUMMARY OF PROPOSED CHANGES:**

The proposed ordinance includes the following key updates:

**1. Location-Based Utility Rates**

- Establishes three customer classes:
  - In-City
  - ETJ (outside city limits but within ETJ)
  - CCN (outside city limits and ETJ but within service area)
- Implements rate multipliers:
  - ETJ: 150% base / 125% usage
  - CCN: 200% base / 150% usage
- Ensures equitable cost recovery for customers not contributing to the City's tax base.

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**2. Tap Fees and Subdivision Access Fees**

- Establishes standardized water and sewer tap fees.
- Introduces a **Subdivision Water System Access Fee** equal to 50% of the in-city tap fee for developments where infrastructure is installed by the developer.
- Ensures developments contribute to the City's existing system capacity and

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infrastructure.

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### 3. TCEQ Compliance – Metering Requirements

- Requires **one meter per service connection**.
- Prohibits **meter sharing and U-branching** between properties.
- Establishes compliance with Texas Commission on Environmental Quality regulations to protect system integrity and public health.

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### 4. Master Meter Provisions (Outside City Limits)

- Allows master meters for properties outside city limits with multiple structures, subject to City approval.
- Establishes **200% water and sewer rates** for master-metered properties.
- Assigns full responsibility to property owners for maintenance, distribution, and certain repair costs associated with the connection.

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### 5. Strengthened Enforcement Provisions

- Expands definition of **tampering** to include:
  - Removal of meter locks
  - Unauthorized reconnections
  - Sharing water between properties (e.g., hoses)
- Holds both the provider and receiver of unauthorized water service accountable.
- Enhances the City’s ability to enforce violations and recover costs.

**BOARD REVIEW/CITIZEN FEEDBACK:** (Let us know if this was approved or denied by a board)

**ALTERNATIVES/OPTIONS:** (If your recommendation isn’t approved, do you have another option that can be approved)

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**

**Account Number(s):**

\$

**Finance Review by:** (Has finance reviewed it to make sure we have the funds Yes/No/Not Applicable)

**LEGAL REVIEW:** (Has the City Attorney reviewed it, if necessary Yes/No/ Not Applicable)

**ATTACHMENTS:**

1. ORDINANCE CHANGES
2. ORDINANCE NO 2026-12 UTILITY RATES AND CHARGES

**STAFF RECOMMENDATION:** Staff recommends approval of the ordinance amendments as presented to enhance enforcement capabilities, protect City infrastructure, and ensure regulatory compliance.

**ORDINANCE NO. 2026-12**

**AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, AMENDING ARTICLE A8.000 UTILITY RATES AND CHARGES; ESTABLISHING UPDATED FEES FOR WATER AND SEWER TAPS, ACCESS, AND METER INSTALLATIONS; IMPLEMENTING ADMINISTRATIVE SERVICE FEES, DEPOSIT REQUIREMENTS, AND PENALTIES FOR DELINQUENT ACCOUNTS; MANDATING COMPLIANCE WITH INDIVIDUAL METERING STANDARDS PURSUANT TO STATE REGULATIONS; PROVIDING FOR SURCHARGES ON EXTRATERRITORIAL SERVICES; PROVIDING FOR SEVERABILITY; PROVIDING A CUMULATIVE CLAUSE; AND PROVIDING FOR 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 utility rates and service charges to ensure full cost recovery for the operation, maintenance, and expansion of the municipal water and wastewater systems; and

**WHEREAS**, the City Commission recognizes the need to implement administrative fees for specialized services, such as travel meters, rereads, and reconnection services, to offset the direct labor and equipment costs incurred by the City; and

**WHEREAS**, the City Commission has determined that protecting the public water supply requires strict adherence to individual metering requirements and the prohibition of unauthorized "U-branching" in accordance with Texas Commission on Environmental Quality (TCEQ) regulations; and

**WHEREAS**, the City Commission finds it equitable to assess a surcharge and additional infrastructure costs on service connections located outside the corporate city limits to account for the increased burden on the City's transmission and administrative resources; 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 and customers of Mercedes, Texas.

**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. MONTHLY WATER AND SEWER RATES.**

Effective on utility bills issued after October 1, 2025, the water and sewer rates for the City of Mercedes shall be as set forth in Exhibit A to this chapter, which is incorporated herein by reference.

**SECTION II. WATER TAPS/ACCESS FEE.**

The following charges shall be made as tapping fees for making connections for the use of any water user:

- A. In-City Customers – Properties located within the corporate limits of the City.
  - 1. 5/8" x 3/4" connection: \$800.00 plus water rights, paving and boring fees.

2. 3/4" connection: \$880.00 plus paving repairs and boring fees.
  3. 1" connection: \$945.00 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 10% of the actual cost for administrative fees.
- B. ETJ Customers – Properties located outside the City limits but within the City’s extraterritorial jurisdiction (ETJ).
1. 5/8" x 3/4" connection: \$1,200.00 plus water rights, paving and boring fees.
  2. 3/4" connection: \$1,320.00 plus paving repairs and boring fees.
  3. 1" connection: \$1,417.50 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 15% of the actual cost for administrative fees.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City’s certificated water service area (CCN).
1. 5/8" x 3/4" connection: \$1,600.00 plus water rights, paving and boring fees.
  2. 3/4" connection: \$1,760.00 plus paving repairs and boring fees.
  3. 1" connection: \$1,890.00 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 20% of the actual cost for administrative fees.
- D. Subdivision Developer Installation and Access Fees.
1. A Water System Access Fee shall be assessed for all subdivisions in which the developer installs and dedicates water infrastructure to the City. The fee shall be equal to fifty percent (50%) of the applicable water tap fee per lot or service connection, and shall represent the development’s proportionate share of the City’s existing water system capacity, treatment, and transmission infrastructure. This fee shall be required in addition to applicable inspection and meter installation fees and shall be paid at a time determined by the City, including but not limited to final plat approval or prior to issuance of building permits.
- E. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- F. No person shall connect to the City's main lines without a permit, and any boring or open cut requires a separate excavation permit in addition to standard tapping fees.

### SECTION III. SEWER TAPS/ACCESS FEE.

- A. In-City Customers – Properties located within the corporate limits of the City.
1. 4" service line connection: \$600.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 10% of the actual cost for administrative fees.
- B. ETJ Customers – Properties located outside the City limits but within the City’s extraterritorial jurisdiction (ETJ).
1. 4" service line connection: \$900.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 15% of the actual cost for administrative fees.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City’s certificated water service area (CCN).
1. 4" service line connection: \$1,200.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 20% of the actual cost for administrative fees.
- D. Subdivision Developer Installation and Access Fees.

1. A Sewer System Access Fee shall be assessed for all subdivisions in which the developer installs and dedicates water infrastructure to the City. The fee shall be equal to fifty percent (50%) of the applicable sewer tap fee per lot or service connection, and shall represent the development's proportionate share of the City's existing sewer system capacity, treatment, and transmission infrastructure.
- E. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- F. No person shall connect to the City's main lines without a permit, and any boring or open cut requires a separate excavation permit in addition to standard tapping fees.

#### SECTION IV. WATER METERS.

- A. The water meters, any related fixtures, and the installation required to do the same, shall be recoverable based on the following formula:

Cost of water meter/fixtures + 50% of costs + (est) installation \$100 = recoverable costs  
 Example is given as follows: (meter @ \$250 + fixtures @ \$30) = \$280 + \$140 (50% of \$280) + \$100 installation = \$520.

Furthermore, the maximum % shall not exceed \$500.00 per meter.

- B. It is stated that should the meter equipment be damaged by the account holder, the damaged cost to repair and/or replace said equipment shall be fully reimbursed by the account holder, plus pay an additional \$20.00 fee to cover the costs to administratively process the repair/replacement/(installation). On plastic meter box replacements, the account holder shall only pay for the meter box itself, but no administrative fee nor installation fee shall be levied.

#### C. Master Meters for Properties Outside City Limits.

1. The City may allow the installation of a master meter to serve multiple living structures located on a single property outside the city limits, subject to approval by the City Manager or designee. Approval of a master meter shall be at the sole discretion of the City and shall be considered only where individual metering is not feasible or practical.
2. All water usage shall be billed at two hundred percent (200%) of the applicable in-city water rates, including base and volumetric charges.
3. All sewer charges shall be billed at two hundred percent (200%) of the applicable in-city sewer rates.
4. All master meter installations shall comply with applicable regulations of the Texas Commission on Environmental Quality and all City standards, including requirements related to backflow prevention, pressure, and system protection.
5. The City reserves the right to revoke approval of a master meter and require individual service connections if:
  - a. The system creates operational or public health concerns;
  - b. There are repeated leaks, violations, or maintenance issues;
  - c. The configuration is found to be non-compliant with applicable regulations.
- D. The property owner, or all property owners served by the City's utility infrastructure, shall be fully responsible for:
  1. The maintenance and repair of all private lines, service lines, and connections located beyond the point of metering;

2. Any damage or required repairs associated with the connection to the City's water system;
3. The cost of repairs to the City's main line where such repairs are necessitated by, or attributable to, the service connection, usage, or failure of private infrastructure serving the property.
4. The property owner(s) shall:
  - a. Assume full responsibility for the distribution and use of water beyond the meter;
  - b. Be liable for any losses, damages, or system impacts caused by the service connection or private distribution system;
  - c. Indemnify and hold harmless the City from any claims, damages, or liabilities arising from the use or condition of the service connection beyond the meter.

**SECTION V. INSTALLATION FEE FOR EXISTING WATER TAPS.**

- A. In-City Customers – Properties located within the corporate limits of the City.
  1. 5/8" x 3/4" connection: \$440.00.
  2. 3/4" connection: \$520.00.
  3. 1" connection: \$580.00.
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- B. ETJ Customers – Properties located outside the City limits but within the City's extraterritorial jurisdiction (ETJ).
  1. 5/8" x 3/4" connection: \$660.00.
  2. 3/4" connection: \$780.00.
  3. 1" connection: \$870.00
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City's certificated water service area (CCN).
  1. 5/8" x 3/4" connection: \$880.00.
  2. 3/4" connection: \$1,040.00.
  3. 1" connection: \$1,160.00.
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- D. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- E. The City Manager, or the Director of Utilities as their designee, is hereby authorized to administratively adjust the established water meter fees to reflect the actual and direct market cost of the meters and related hardware.
- F. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard water rate.

**SECTION VI. LATE PAYMENT PENALTY; TERMINATION OF SERVICES, NSF CHARGE.**

- A. All bills including water, sewer, refuse, and special assessments, will be due 15 calendar days from the date of issuance of such bill. If payment is not received by said due date, a penalty of ten percent (10%) shall be added to the original amount. Should any account remain unpaid for seven (7) days past the due date, the customer shall be considered delinquent and services terminated without further notice. Customers must pay the full amount due for utility and garbage services before service is reconnected. No new utility

accounts may be opened for a customer who has an outstanding delinquent account for utility services. Other services, such as building permit sales may be withheld until such time the utility account is paid in full. A \$35.00 fee will be charged to reinstate an account during normal business hours and a \$50.00 fee will be charged to reinstate an account after hours. After a customer has been disconnected, no one shall make a reconnection or obtain any water by any manner from the disconnected place, except by authorized employees of the water department. An NSF charge of thirty dollars (\$30.00) will be made to the customer's account for each returned check. If a customer requests a reread of their meter, and the initial reading by the city is correct, there will be a \$35.00 service call fee added to the customer's current monthly bill.

- B. It shall be unlawful for any person or firm not so authorized, to tamper, share, adjust, replace or misuse any water meter owned by the city. Any person in violation of this section shall be fined five hundred dollars (\$500.00) plus any damages as a result of such tampering plus an administrative fee, and estimated rate loss. The city has right to file criminal charges in court.

## **SECTION VII. DEPOSIT**

- A. A deposit of \$125.00 for homeowners and \$250.00 for renters shall be required for service for all new residential and garbage accounts inside city limits. A deposit of \$500.00 shall be required for service for all new commercial and commercial garbage accounts. Such deposit fees, exclusive of interest earned, shall be returned to the customer upon closing of the account and full payment of the final account bill by the customer.
- B. Any property outside city limits would be charge a deposit of \$250.00 for homeowners and \$350 for renters shall be required for service for all new residential and garbage accounts. A deposit of \$700.00 shall be required for service for all new commercial and commercial garbage accounts outside city limits. Such deposit fees, exclusive of interest earned, shall be returned to the customer upon closing of the account and full payment of the final account bill by the customer.
- C. In the event that a utility service is discontinued due to non-payment, the City is authorized to apply the customer's existing security deposit toward the outstanding delinquent balance to cover the amount due. Before service can be restored, the account holder is required to replenish the security deposit by paying a new amount equal to the total sum of the monthly billings that remained unpaid at the time of disconnection. This requirement to provide a new deposit shall be mandatory every time a service is discontinued for non-payment and a previous deposit has been applied to the balance.

## **SECTION VIII. REDUCTION OF MONTHLY CHARGE FOR ELDERLY PERSONS AND VETERANS.**

- A. Residential users who are 62 years of age or older or residential users who are veterans of the armed forces of the United States of America may receive a \$5.60 per month reduction in the base charge for the water and sewer for one residence only. A residential user who is both 62 years of age or older and a veteran of the armed forces of the United States of America will qualify for only one reduction in rate, either the 62 years of age or older or the veteran's reduction, but not both. The residential user must apply for the reduction at the water department and must provide proof of his/her status as either over 62 years of age or veteran. The reduction will take effect on the following billing cycle and will not be retroactive. Applicants may be required to reapply annually.

- B. The Utility Department shall annually evaluate all accounts receiving this reduction to verify continued eligibility. As part of this annual evaluation, the customer shall be required to provide updated proof of status or any other documentation deemed necessary by the Utility Department to maintain the rate reduction. Failure to provide the required verification upon request will result in the immediate removal of the reduction from the account.

## **SECTION IX. MONTHLY CHARGE TO DEFRAY COSTS OF FIREFIHTING EQUIPMENT.**

- A. The following rates shall be charged to defray costs for acquisition of firefighting equipment and for operating expenses:
  - 1. Residential accounts: \$3.50/month.
  - 2. Housing and apartments: \$2.00/month per unit.
  - 3. Mobile homes: \$1.50/month per occupied space.
  - 4. All other accounts: \$3.50/month.
- B. Users who are 62 years of age or older may receive a \$0.50 per month reduction in the fire fee.

## **SECTION X. SEWER RATES AND DEPOSIT FOR PROPERTIES SERVED BY WATER WELLS.**

- A.
  - A. Single-family residential with unmetered connections with no water consumption (water wells) records shall pay a flat sewer rate equivalent to the sum of the residential base fee plus the equivalent rate of 6000 gallons of water consumption per month.
  - B. Commercial accounts with unmetered connections with no water consumption (water wells) records shall pay a flat sewer rate equivalent to the sum of the commercial base fee plus the equivalent rate of 10,000 gallons of water consumption per month.
- B. Whenever the utility rates are adjusted, the sewer rate formula for “water well lots” shall be similarly applied pursuant to the residential base fee and/or the commercial base fee plus the average water consumption perceived for said unmetered site.
- C. The deposit rates for customers on water wells that are tied into the city sanitary sewer system are as follows, being identical to the deposit rates for those customers on metered potable water:
  - 1. Homeowner: \$110.00.
  - 2. Renter: \$150.00.
  - 3. Commercial: \$200.00.

## **SECTION XI. FEES FOR DELINQUENT ACCOUNTS AND SERVICE RESTORATION.**

- A. Standard Reconnection Fee: When utility service is discontinued for failure to pay any due charge, a fee of \$35.00 shall be assessed for reconnecting the service during normal business hours.
- B. After-Hours Reconnection Fee: Any reconnection requested after 5:30 PM, on weekends, or on official city holidays shall be assessed a fee of \$50.00. For any property located outside the corporate city limits, the after-hours reconnection fee shall be increased by

25%, resulting in a total charge of \$62.50.

- C. Payment Requirement: All delinquent charges, including the administrative disconnect fee and any applicable reconnection fees, must be paid in full before service is restored.

## SECTION XII. GARBAGE COLLECTION RATES.

### A. Residential.

1. All permanent living units (homes, trailer homes, apartments, etc.), street, alley, or central complex pickup service: \$12.72 per month per unit.
2. Additional containers shall be charged \$5.72 per month per unit.
3. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard rate.

### B. Commercial.

1. Class I: Dumpster bins. Businesses using dumpster bins will be charged on a monthly basis according to the fees below. Each business will select the dumpster size and pickup frequency and sign an agreement to that effect.

#### Class I. Commercial – Bins

Bin Size Yards	Class I. Commercial - Bins					
	Pickup Frequency per Week					
	1X	2X	3X	4X	5X	6X
3	\$103.91	\$186.92	\$270.89	\$353.68	\$436.88	\$524.00
4	\$121.08	\$216.74	\$312.68	\$410.20	\$504.57	\$599.89
6	\$154.98	\$276.41	\$399.81	\$529.52	\$645.83	\$767.65
8	\$187.32	\$328.19	\$485.35	\$634.14	\$779.23	\$925.36

2. Class II: Handheld small commercial. A monthly charge of \$20.22 for a single 96-gallon [container]. Additional containers will be provided as needed, and an additional charge of \$16.79 per month per cart shall be paid. The containers will be picked up once a week.

## SECTION XIII. BRUSH COLLECTION RATES.

The monthly service charges for brush will be as follows:

1. Residential: The rate for residential service shall be \$4.50 per month.
2. Commercial: The rate for commercial service shall be \$7.00 per month.
3. Apartment houses: The rate for apartments, where all apartments are on one meter, shall be the same as the applicable residence rate, plus \$2.00 per month for each apartment unit in excess of one, whether or not all of such units are rented.
4. Trailers or mobile home units: The minimum charge for trailer or mobile home units shall be \$2.00 per month per active trailer space, whether the trailer thereon is occupied or unoccupied.
5. Business, property, premises, or building not otherwise classified or covered: If any business, commercial institution, or property situated in the city shall not be specifically listed in any of the forgoing schedules, said business, institution, or property shall be classified and charged the rate of a like or similar business listed in said schedule. In the event a controversy arises as to the proper classification, the city commission, after a hearing with the interested party, shall determine the classification and rate and said determination shall be final and conclusive.

6. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard rate.

#### **SECTION XIV. WATER RIGHTS FEE.**

For all service applications, the city will determine the quantity and fee for municipal water rights. The required amount of municipal water rights for standard service will be equal to the size of the requested water meter(s) expressed in the number of equivalent 5/8" meter units multiplied by 0.2 - acre feet. The number of equivalent 5/8" meter units will be determined using AWWA standards. The amount of municipal water rights required for nonstandard service will be determined on an individual basis. The city manager or city manager's designee, will assess a fee based upon the price of pooled municipal water rights that are available through the city or the current market price. This fee will also include applicable estimated administrative and legal fees. In lieu of paying the assessed fee for municipal water rights, applicant may choose to provide the city with the required municipal water rights.

#### **SECTION XV. PAYMENT ARRANGEMENT AND FAILED PAYMENT ARRANGEMENTS.**

Payment arrangements must be made through the utility billing department for any utility services. And are subject to the following mandatory conditions:

1. In-Person Requirement: All requests for payment arrangements must be made in person at the Utility Billing Department.
2. Authorized Personnel: Only the individual whose name is on the utility account may request an arrangement.
3. Identification: The account holder must present a valid photo identification at the time of the request.
4. No Phone Requests: Telephonic requests for payment arrangements will not be accepted under any circumstances.
5. Frequency Limit: Each utility account is strictly limited to one (1) payment arrangement per calendar year.
6. Deadline: No payment arrangement shall extend beyond a week.
7. Default and Disconnection: Failure to comply with the terms of a payment arrangement will result in the immediate commencement of service disconnection procedures without further notice.

#### **SECTION XVI. SERVICE FEES**

- A. Travel Meter: A deposit of \$900.00 is required, plus a daily rental fee of \$10.00 and a service fee of \$80.00.
  1. In the event that any metering equipment is damaged or defaced while in a customer's possession or upon its return to the City, the customer shall be held strictly liable for the full replacement cost of the device. This reimbursement, which must reflect the current market price for the hardware and any associated administrative fees, is required every time such damage occurs and must be paid in full before any security deposits are refunded or new services are activated
- B. Meter Reread: A fee of \$35.00 will be charged if a customer requests a meter reread.
- C. Meter Box Replacement: The city provides one-meter box per service; replacement of a

meter box after the first instance shall be charged from \$50.00 - \$150.00 depending on meter size.

- D. Returned Payments: A fee of \$30.00 will be charged for any returned check or bank draft.
- E. Connection Fee: A standard connection fee of \$10.00 applies to all new service activations.
- F. Tampering Administrative Fee: An administrative fee of \$500.00 shall be assessed for any unauthorized tampering with the City's water system, including but not limited to sharing water service, adjusting or replacing a water meter, removing or breaking a meter lock, or any other misuse of the system. Obstructing, restricting, or denying access to a City water meter shall also constitute tampering and a violation of utility service conditions.
- G. Standard Service Fee: A standard service fee of \$50.00 for residential and \$150.00 for commercial properties shall be assessed for any request to investigate or attempt to clear a sewer backup when the issue is determined to be within the customer's private service line and not the City's main line. Prior to any work, the property owner must sign a waiver acknowledging that the City is not responsible for any damage to plumbing or private property and that there is no guarantee the blockage will be cleared if the issue originates within the private line.

## **SECTION XVII. SERVICE CONNECTION REQUIREMENTS AND METERING (TCEQ COMPLIANCE)**

- A. The purpose of this section is to ensure compliance with applicable regulations of the Texas Commission on Environmental Quality, including but not limited to 30 Texas Administrative Code §§ 291.89(a)(4) and 290.44(d)(4), and to protect the public water supply from contamination while ensuring adequate service to all customers.
- B. Individual Meter Requirement
  - 1. One Meter Per Service Connection. Each residential, commercial, or industrial service connection shall be required to have its own individual water meter.
  - 2. A "service connection" shall be defined as:
    - a. A single-family residence;
    - b. An individual commercial establishment; or
      - i. Every individual unit, entity, suite, or office within a commercial establishment shall be required to have its own independent water meter.
      - ii. Any existing commercial property that is currently not in compliance with these individual metering requirements shall be permitted to continue under its current configuration. At such time as any remodel, expansion, or structural modification takes place on a non-compliant property, the entire facility shall be required to transition to individual meters to follow this ordinance.
    - c. Any separate occupancy unit requiring independent water service.
      - i. Even if located within the same building or shared shell, each distinct business entity or occupancy unit must maintain a separate service connection.
- C. Prohibition of Multiple Connections on a Single Meter
  - 1. U-Branching Prohibited. The use of a single tap or meter to serve multiple separate lots, structures, or customers (commonly referred to as "U-branching") is strictly prohibited.
  - 2. No person shall:
    - a. Extend water service from one property to another property;

- b. Share a meter between separate legal lots;
- c. Create any connection that results in multiple independent users being served by a single meter.

**D. Structures and Developments**

1. **Separate Structures.** Each independent structure shall require its own service connection and meter, including:
    - a. Multiple homes located on a single lot;
    - b. Detached residential units;
    - c. Separate commercial buildings.
  2. **Master Meter Exceptions.** A master meter may be permitted for:
    - a. Apartment complexes;
    - b. Mobile home parks;
    - c. Multi-unit developments operating as a single commercial entity.
  3. **Such master-metered developments shall:**
    - a. Be treated as a single customer for billing purposes;
    - b. Comply with all applicable City and state regulations.
- E. Exceptions.** Any exception to the individual metering requirement must be approved by the City Manager and comply with all applicable Texas Commission on Environmental Quality regulations.
- F. The property owner shall be responsible for all costs associated with bringing any non-compliant service connection into compliance with this section.**

**SECTION XVIII. INFRASTRUCTURE AND OPERATIONAL REQUIREMENTS FOR SERVICE OUTSIDE CORPORATE CITY LIMITS.**

To ensure the fiscal and operational integrity of the municipal water and sewer systems, the following requirements shall apply to all real property and developments located outside the corporate city limits of the City:

- A. Cost of Specialized Infrastructure:** Any additional equipment or infrastructure required for the City to provide, monitor, or read utility services for properties outside the city limits—including but not limited to signal repeaters, antennas, or specialized metering hardware—shall be the sole financial responsibility of the property owner or developer.
- B. Infrastructure Improvements:** The full cost of any system improvements or extensions necessary to reach and sufficiently serve an extraterritorial development shall be passed through to the developers or property owners requesting such service.
- C. Master Metering for Developments:** The City may require the installation of a master meter at the point of connection between the City’s main line and a private development’s internal system. The City shall use this master meter as the primary basis for billing and system auditing.
- D. Liability for Leaks and Repairs:** For all infrastructure located downstream of the City’s point of delivery, the burden of maintenance and repair remains with the customers served by that line.
- E. Pass-Through Repair Charges:** In the event of a leak, break, or necessary repair on such lines, the Director of Utilities is authorized to determine the proportional responsibility of the properties involved and charge the associated repair costs and water loss directly to the customers’ utility bills.

**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 7TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2026.**

**1st Reading: April 7, 2026**

**2nd Reading: April 21, 2026**

**CITY OF MERCEDES:**

\_\_\_\_\_  
**Oscar D. Montoya, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Joselynn Castillo**  
City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Martie Garcia Vela**  
City Attorney

**ORDINANCE NO. 2026-12**

**AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, AMENDING ARTICLE A8.000 UTILITY RATES AND CHARGES; ESTABLISHING UPDATED FEES FOR WATER AND SEWER TAPS, ACCESS, AND METER INSTALLATIONS; IMPLEMENTING ADMINISTRATIVE SERVICE FEES, DEPOSIT REQUIREMENTS, AND PENALTIES FOR DELINQUENT ACCOUNTS; MANDATING COMPLIANCE WITH INDIVIDUAL METERING STANDARDS PURSUANT TO STATE REGULATIONS; PROVIDING FOR SURCHARGES ON EXTRATERRITORIAL SERVICES; PROVIDING FOR SEVERABILITY; PROVIDING A CUMULATIVE CLAUSE; AND PROVIDING FOR 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 utility rates and service charges to ensure full cost recovery for the operation, maintenance, and expansion of the municipal water and wastewater systems; and

**WHEREAS**, the City Commission recognizes the need to implement administrative fees for specialized services, such as travel meters, rereads, and reconnection services, to offset the direct labor and equipment costs incurred by the City; and

**WHEREAS**, the City Commission has determined that protecting the public water supply requires strict adherence to individual metering requirements and the prohibition of unauthorized "U-branching" in accordance with Texas Commission on Environmental Quality (TCEQ) regulations; and

**WHEREAS**, the City Commission finds it equitable to assess a surcharge and additional infrastructure costs on service connections located outside the corporate city limits to account for the increased burden on the City's transmission and administrative resources; 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 and customers of Mercedes, Texas.

**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. MONTHLY WATER AND SEWER RATES.**

Effective on utility bills issued after October 1, 2025, the water and sewer rates for the City of Mercedes shall be as set forth in Exhibit A to this chapter, which is incorporated herein by reference.

**SECTION II. WATER TAPS/ACCESS FEE.**

The following charges shall be made as tapping fees for making connections for the use of any water user:

- A. In-City Customers – Properties located within the corporate limits of the City.
  - 1. 5/8" x 3/4" connection: \$800.00 plus water rights, paving and boring fees.

2. 3/4" connection: \$880.00 plus paving repairs and boring fees.
  3. 1" connection: \$945.00 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 10% of the actual cost for administrative fees.
- B. ETJ Customers – Properties located outside the City limits but within the City’s extraterritorial jurisdiction (ETJ).
1. 5/8" x 3/4" connection: \$1,200.00 plus water rights, paving and boring fees.
  2. 3/4" connection: \$1,320.00 plus paving repairs and boring fees.
  3. 1" connection: \$1,417.50 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 15% of the actual cost for administrative fees.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City’s certificated water service area (CCN).
1. 5/8" x 3/4" connection: \$1,600.00 plus water rights, paving and boring fees.
  2. 3/4" connection: \$1,760.00 plus paving repairs and boring fees.
  3. 1" connection: \$1,890.00 plus paving repairs and boring fees.
  4. 1-1/2" – 4" connection: Actual costs associated with tap, materials, labor and paving repairs and 20% of the actual cost for administrative fees.
- D. Subdivision Developer Installation and Access Fees.
1. A Water System Access Fee shall be assessed for all subdivisions in which the developer installs and dedicates water infrastructure to the City. The fee shall be equal to fifty percent (50%) of the applicable water tap fee per lot or service connection, and shall represent the development’s proportionate share of the City’s existing water system capacity, treatment, and transmission infrastructure. This fee shall be required in addition to applicable inspection and meter installation fees and shall be paid at a time determined by the City, including but not limited to final plat approval or prior to issuance of building permits.
- E. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- F. No person shall connect to the City's main lines without a permit, and any boring or open cut requires a separate excavation permit in addition to standard tapping fees.

### **SECTION III. SEWER TAPS/ACCESS FEE.**

- A. In-City Customers – Properties located within the corporate limits of the City.
1. 4" service line connection: \$600.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 10% of the actual cost for administrative fees.
- B. ETJ Customers – Properties located outside the City limits but within the City’s extraterritorial jurisdiction (ETJ).
1. 4" service line connection: \$900.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 15% of the actual cost for administrative fees.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City’s certificated water service area (CCN).
1. 4" service line connection: \$1,200.00 plus paving and boring fees.
  2. 6" or greater service line connections: Actual costs associated with tap, materials, labor and paving repairs and 20% of the actual cost for administrative fees.
- D. Subdivision Developer Installation and Access Fees.

1. A Sewer System Access Fee shall be assessed for all subdivisions in which the developer installs and dedicates water infrastructure to the City. The fee shall be equal to fifty percent (50%) of the applicable sewer tap fee per lot or service connection, and shall represent the development's proportionate share of the City's existing sewer system capacity, treatment, and transmission infrastructure.
- E. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- F. No person shall connect to the City's main lines without a permit, and any boring or open cut requires a separate excavation permit in addition to standard tapping fees.

#### **SECTION IV. WATER METERS.**

- A. The water meters, any related fixtures, and the installation required to do the same, shall be recoverable based on the following formula:

Cost of water meter/fixtures + 50% of costs + (est) installation \$100 = recoverable costs  
 Example is given as follows: (meter @ \$250 + fixtures @ \$30) = \$280 + \$140 (50% of \$280) + \$100 installation = \$520.

Furthermore, the maximum % shall not exceed \$500.00 per meter.

- B. It is stated that should the meter equipment be damaged by the account holder, the damaged cost to repair and/or replace said equipment shall be fully reimbursed by the account holder, plus pay an additional \$20.00 fee to cover the costs to administratively process the repair/replacement/(installation). On plastic meter box replacements, the account holder shall only pay for the meter box itself, but no administrative fee nor installation fee shall be levied.
- C. Master Meters for Properties Outside City Limits.
  1. The City may allow the installation of a master meter to serve multiple living structures located on a single property outside the city limits, subject to approval by the City Manager or designee. Approval of a master meter shall be at the sole discretion of the City and shall be considered only where individual metering is not feasible or practical.
  2. All water usage shall be billed at two hundred percent (200%) of the applicable in-city water rates, including base and volumetric charges.
  3. All sewer charges shall be billed at two hundred percent (200%) of the applicable in-city sewer rates.
  4. All master meter installations shall comply with applicable regulations of the Texas Commission on Environmental Quality and all City standards, including requirements related to backflow prevention, pressure, and system protection.
  5. The City reserves the right to revoke approval of a master meter and require individual service connections if:
    - a. The system creates operational or public health concerns;
    - b. There are repeated leaks, violations, or maintenance issues;
    - c. The configuration is found to be non-compliant with applicable regulations.
- D. The property owner, or all property owners served by the City's utility infrastructure, shall be fully responsible for:
  1. The maintenance and repair of all private lines, service lines, and connections located beyond the point of metering;

2. Any damage or required repairs associated with the connection to the City's water system;
3. The cost of repairs to the City's main line where such repairs are necessitated by, or attributable to, the service connection, usage, or failure of private infrastructure serving the property.
4. The property owner(s) shall:
  - a. Assume full responsibility for the distribution and use of water beyond the meter;
  - b. Be liable for any losses, damages, or system impacts caused by the service connection or private distribution system;
  - c. Indemnify and hold harmless the City from any claims, damages, or liabilities arising from the use or condition of the service connection beyond the meter.

**SECTION V. INSTALLATION FEE FOR EXISTING WATER TAPS.**

- A. In-City Customers – Properties located within the corporate limits of the City.
  1. 5/8" x 3/4" connection: \$440.00.
  2. 3/4" connection: \$520.00.
  3. 1" connection: \$580.00.
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- B. ETJ Customers – Properties located outside the City limits but within the City's extraterritorial jurisdiction (ETJ).
  1. 5/8" x 3/4" connection: \$660.00.
  2. 3/4" connection: \$780.00.
  3. 1" connection: \$870.00
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- C. CCN Customers – Properties located outside both the City limits and ETJ, but within the City's certificated water service area (CCN).
  1. 5/8" x 3/4" connection: \$880.00.
  2. 3/4" connection: \$1,040.00.
  3. 1" connection: \$1,160.00.
  4. 1-1/2" – 4" connection: Actual costs associated with meter, materials, and labor.
- D. All accounts and projects described above shall be governed by the fee schedule in effect at the time of their original submission or initiation.
- E. The City Manager, or the Director of Utilities as their designee, is hereby authorized to administratively adjust the established water meter fees to reflect the actual and direct market cost of the meters and related hardware.
- F. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard water rate.

**SECTION VI. LATE PAYMENT PENALTY; TERMINATION OF SERVICES, NSF CHARGE.**

- A. All bills including water, sewer, refuse, and special assessments, will be due 15 calendar days from the date of issuance of such bill. If payment is not received by said due date, a penalty of ten percent (10%) shall be added to the original amount. Should any account remain unpaid for seven (7) days past the due date, the customer shall be considered delinquent and services terminated without further notice. Customers must pay the full amount due for utility and garbage services before service is reconnected. No new utility

accounts may be opened for a customer who has an outstanding delinquent account for utility services. Other services, such as building permit sales may be withheld until such time the utility account is paid in full. A \$35.00 fee will be charged to reinstate an account during normal business hours and a \$50.00 fee will be charged to reinstate an account after hours. After a customer has been disconnected, no one shall make a reconnection or obtain any water by any manner from the disconnected place, except by authorized employees of the water department. An NSF charge of thirty dollars (\$30.00) will be made to the customer's account for each returned check. If a customer requests a reread of their meter, and the initial reading by the city is correct, there will be a \$35.00 service call fee added to the customer's current monthly bill.

- B. It shall be unlawful for any person or firm not so authorized, to tamper, share, adjust, replace or misuse any water meter owned by the city. Any person in violation of this section shall be fined five hundred dollars (\$500.00) plus any damages as a result of such tampering plus an administrative fee, and estimated rate loss. The city has right to file criminal charges in court.

## **SECTION VII. DEPOSIT**

- A. A deposit of \$125.00 for homeowners and \$250.00 for renters shall be required for service for all new residential and garbage accounts inside city limits. A deposit of \$500.00 shall be required for service for all new commercial and commercial garbage accounts. Such deposit fees, exclusive of interest earned, shall be returned to the customer upon closing of the account and full payment of the final account bill by the customer.
- B. Any property outside city limits would be charge a deposit of \$250.00 for homeowners and \$350 for renters shall be required for service for all new residential and garbage accounts. A deposit of \$700.00 shall be required for service for all new commercial and commercial garbage accounts outside city limits. Such deposit fees, exclusive of interest earned, shall be returned to the customer upon closing of the account and full payment of the final account bill by the customer.
- C. In the event that a utility service is discontinued due to non-payment, the City is authorized to apply the customer's existing security deposit toward the outstanding delinquent balance to cover the amount due. Before service can be restored, the account holder is required to replenish the security deposit by paying a new amount equal to the total sum of the monthly billings that remained unpaid at the time of disconnection. This requirement to provide a new deposit shall be mandatory every time a service is discontinued for non-payment and a previous deposit has been applied to the balance.

## **SECTION VIII. REDUCTION OF MONTHLY CHARGE FOR ELDERLY PERSONS AND VETERANS.**

- A. Residential users who are 62 years of age or older or residential users who are veterans of the armed forces of the United States of America may receive a \$5.60 per month reduction in the base charge for the water and sewer for one residence only. A residential user who is both 62 years of age or older and a veteran of the armed forces of the United States of America will qualify for only one reduction in rate, either the 62 years of age or older or the veteran's reduction, but not both. The residential user must apply for the reduction at the water department and must provide proof of his/her status as either over 62 years of age or veteran. The reduction will take effect on the following billing cycle and will not be retroactive. Applicants may be required to reapply annually.

- B. The Utility Department shall annually evaluate all accounts receiving this reduction to verify continued eligibility. As part of this annual evaluation, the customer shall be required to provide updated proof of status or any other documentation deemed necessary by the Utility Department to maintain the rate reduction. Failure to provide the required verification upon request will result in the immediate removal of the reduction from the account.

**SECTION IX. MONTHLY CHARGE TO DEFRAY COSTS OF FIREFIHTING EQUIPMENT.**

- A. The following rates shall be charged to defray costs for acquisition of firefighting equipment and for operating expenses:
  - 1. Residential accounts: \$3.50/month.
  - 2. Housing and apartments: \$2.00/month per unit.
  - 3. Mobile homes: \$1.50/month per occupied space.
  - 4. All other accounts: \$3.50/month.
- B. Users who are 62 years of age or older may receive a \$0.50 per month reduction in the fire fee.

**SECTION X. SEWER RATES AND DEPOSIT FOR PROPERTIES SERVED BY WATER WELLS.**

- A.
  - A. Single-family residential with unmetered connections with no water consumption (water wells) records shall pay a flat sewer rate equivalent to the sum of the residential base fee plus the equivalent rate of 6000 gallons of water consumption per month.
  - B. Commercial accounts with unmetered connections with no water consumption (water wells) records shall pay a flat sewer rate equivalent to the sum of the commercial base fee plus the equivalent rate of 10,000 gallons of water consumption per month.
- B. Whenever the utility rates are adjusted, the sewer rate formula for “water well lots” shall be similarly applied pursuant to the residential base fee and/or the commercial base fee plus the average water consumption perceived for said unmetered site.
- C. The deposit rates for customers on water wells that are tied into the city sanitary sewer system are as follows, being identical to the deposit rates for those customers on metered potable water:
  - 1. Homeowner: \$110.00.
  - 2. Renter: \$150.00.
  - 3. Commercial: \$200.00.

**SECTION XI. FEES FOR DELINQUENT ACCOUNTS AND SERVICE RESTORATION.**

- A. Standard Reconnection Fee: When utility service is discontinued for failure to pay any due charge, a fee of \$35.00 shall be assessed for reconnecting the service during normal business hours.
- B. After-Hours Reconnection Fee: Any reconnection requested after 5:30 PM, on weekends, or on official city holidays shall be assessed a fee of \$50.00. For any property located outside the corporate city limits, the after-hours reconnection fee shall be increased by

25%, resulting in a total charge of \$62.50.

- C. Payment Requirement: All delinquent charges, including the administrative disconnect fee and any applicable reconnection fees, must be paid in full before service is restored.

**SECTION XII. GARBAGE COLLECTION RATES.**

A. Residential.

- 1. All permanent living units (homes, trailer homes, apartments, etc.), street, alley, or central complex pickup service: \$12.72 per month per unit.
- 2. Additional containers shall be charged \$5.72 per month per unit.
- 3. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard rate.

B. Commercial.

- 1. Class I: Dumpster bins. Businesses using dumpster bins will be charged on a monthly basis according to the fees below. Each business will select the dumpster size and pickup frequency and sign an agreement to that effect.

Class I. Commercial – Bins

Bin Size Yards	Class I. Commercial - Bins					
	Pickup Frequency per Week					
	1X	2X	3X	4X	5X	6X
3	\$103.91	\$186.92	\$270.89	\$353.68	\$436.88	\$524.00
4	\$121.08	\$216.74	\$312.68	\$410.20	\$504.57	\$599.89
6	\$154.98	\$276.41	\$399.81	\$529.52	\$645.83	\$767.65
8	\$187.32	\$328.19	\$485.35	\$634.14	\$779.23	\$925.36

- 2. Class II: Handheld small commercial. A monthly charge of \$20.22 for a single 96-gallon [container]. Additional containers will be provided as needed, and an additional charge of \$16.79 per month per cart shall be paid. The containers will be picked up once a week.

**SECTION XIII. BRUSH COLLECTION RATES.**

The monthly service charges for brush will be as follows:

- 1. Residential: The rate for residential service shall be \$4.50 per month.
- 2. Commercial: The rate for commercial service shall be \$7.00 per month.
- 3. Apartment houses: The rate for apartments, where all apartments are on one meter, shall be the same as the applicable residence rate, plus \$2.00 per month for each apartment unit in excess of one, whether or not all of such units are rented.
- 4. Trailers or mobile home units: The minimum charge for trailer or mobile home units shall be \$2.00 per month per active trailer space, whether the trailer thereon is occupied or unoccupied.
- 5. Business, property, premises, or building not otherwise classified or covered: If any business, commercial institution, or property situated in the city shall not be specifically listed in any of the forgoing schedules, said business, institution, or property shall be classified and charged the rate of a like or similar business listed in said schedule. In the event a controversy arises as to the proper classification, the city commission, after a hearing with the interested party, shall determine the classification and rate and said determination shall be final and conclusive.

6. For any property or service connection located outside the corporate city limits shall be increased by a surcharge of 25% over the standard rate.

#### **SECTION XIV. WATER RIGHTS FEE.**

For all service applications, the city will determine the quantity and fee for municipal water rights. The required amount of municipal water rights for standard service will be equal to the size of the requested water meter(s) expressed in the number of equivalent 5/8" meter units multiplied by 0.2 - acre feet. The number of equivalent 5/8" meter units will be determined using AWWA standards. The amount of municipal water rights required for nonstandard service will be determined on an individual basis. The city manager or city manager's designee, will assess a fee based upon the price of pooled municipal water rights that are available through the city or the current market price. This fee will also include applicable estimated administrative and legal fees. In lieu of paying the assessed fee for municipal water rights, applicant may choose to provide the city with the required municipal water rights.

#### **SECTION XV. PAYMENT ARRANGEMENT AND FAILED PAYMENT ARRANGEMENTS.**

Payment arrangements must be made through the utility billing department for any utility services. And are subject to the following mandatory conditions:

1. In-Person Requirement: All requests for payment arrangements must be made in person at the Utility Billing Department.
2. Authorized Personnel: Only the individual whose name is on the utility account may request an arrangement.
3. Identification: The account holder must present a valid photo identification at the time of the request.
4. No Phone Requests: Telephonic requests for payment arrangements will not be accepted under any circumstances.
5. Frequency Limit: Each utility account is strictly limited to one (1) payment arrangement per calendar year.
6. Deadline: No payment arrangement shall extend beyond a week.
7. Default and Disconnection: Failure to comply with the terms of a payment arrangement will result in the immediate commencement of service disconnection procedures without further notice.

#### **SECTION XVI. SERVICE FEES**

- A. Travel Meter: A deposit of \$900.00 is required, plus a daily rental fee of \$10.00 and a service fee of \$80.00.
  1. In the event that any metering equipment is damaged or defaced while in a customer's possession or upon its return to the City, the customer shall be held strictly liable for the full replacement cost of the device. This reimbursement, which must reflect the current market price for the hardware and any associated administrative fees, is required every time such damage occurs and must be paid in full before any security deposits are refunded or new services are activated
- B. Meter Reread: A fee of \$35.00 will be charged if a customer requests a meter reread.
- C. Meter Box Replacement: The city provides one-meter box per service; replacement of a

meter box after the first instance shall be charged from \$50.00 - \$150.00 depending on meter size.

- D. Returned Payments: A fee of \$30.00 will be charged for any returned check or bank draft.
- E. Connection Fee: A standard connection fee of \$10.00 applies to all new service activations.
- F. Tampering Administrative Fee: An administrative fee of \$500.00 shall be assessed for any unauthorized tampering with the City's water system, including but not limited to sharing water service, adjusting or replacing a water meter, removing or breaking a meter lock, or any other misuse of the system. Obstructing, restricting, or denying access to a City water meter shall also constitute tampering and a violation of utility service conditions.
- G. Standard Service Fee: A standard service fee of \$50.00 for residential and \$150.00 for commercial properties shall be assessed for any request to investigate or attempt to clear a sewer backup when the issue is determined to be within the customer's private service line and not the City's main line. Prior to any work, the property owner must sign a waiver acknowledging that the City is not responsible for any damage to plumbing or private property and that there is no guarantee the blockage will be cleared if the issue originates within the private line.

## **SECTION XVII. SERVICE CONNECTION REQUIREMENTS AND METERING (TCEQ COMPLIANCE)**

- A. The purpose of this section is to ensure compliance with applicable regulations of the Texas Commission on Environmental Quality, including but not limited to 30 Texas Administrative Code §§ 291.89(a)(4) and 290.44(d)(4), and to protect the public water supply from contamination while ensuring adequate service to all customers.
- B. Individual Meter Requirement
  - 1. One Meter Per Service Connection. Each residential, commercial, or industrial service connection shall be required to have its own individual water meter.
  - 2. A "service connection" shall be defined as:
    - a. A single-family residence;
    - b. An individual commercial establishment; or
      - i. Every individual unit, entity, suite, or office within a commercial establishment shall be required to have its own independent water meter.
      - ii. Any existing commercial property that is currently not in compliance with these individual metering requirements shall be permitted to continue under its current configuration. At such time as any remodel, expansion, or structural modification takes place on a non-compliant property, the entire facility shall be required to transition to individual meters to follow this ordinance.
    - c. Any separate occupancy unit requiring independent water service.
      - i. Even if located within the same building or shared shell, each distinct business entity or occupancy unit must maintain a separate service connection.
- C. Prohibition of Multiple Connections on a Single Meter
  - 1. U-Branching Prohibited. The use of a single tap or meter to serve multiple separate lots, structures, or customers (commonly referred to as "U-branching") is strictly prohibited.
  - 2. No person shall:
    - a. Extend water service from one property to another property;

- b. Share a meter between separate legal lots;
  - c. Create any connection that results in multiple independent users being served by a single meter.
- D. Structures and Developments
  - 1. Separate Structures. Each independent structure shall require its own service connection and meter, including:
    - a. Multiple homes located on a single lot;
    - b. Detached residential units;
    - c. Separate commercial buildings.
  - 2. Master Meter Exceptions. A master meter may be permitted for:
    - a. Apartment complexes;
    - b. Mobile home parks;
    - c. Multi-unit developments operating as a single commercial entity.
  - 3. Such master-metered developments shall:
    - a. Be treated as a single customer for billing purposes;
    - b. Comply with all applicable City and state regulations.
- E. Exceptions. Any exception to the individual metering requirement must be approved by the City Manager and comply with all applicable Texas Commission on Environmental Quality regulations.
- F. The property owner shall be responsible for all costs associated with bringing any non-compliant service connection into compliance with this section.

**SECTION XVIII. INFRASTRUCTURE AND OPERATIONAL REQUIREMENTS FOR SERVICE OUTSIDE CORPORATE CITY LIMITS.**

To ensure the fiscal and operational integrity of the municipal water and sewer systems, the following requirements shall apply to all real property and developments located outside the corporate city limits of the City:

- A. Cost of Specialized Infrastructure: Any additional equipment or infrastructure required for the City to provide, monitor, or read utility services for properties outside the city limits—including but not limited to signal repeaters, antennas, or specialized metering hardware—shall be the sole financial responsibility of the property owner or developer.
- B. Infrastructure Improvements: The full cost of any system improvements or extensions necessary to reach and sufficiently serve an extraterritorial development shall be passed through to the developers or property owners requesting such service.
- C. Master Metering for Developments: The City may require the installation of a master meter at the point of connection between the City’s main line and a private development’s internal system. The City shall use this master meter as the primary basis for billing and system auditing.
- D. Liability for Leaks and Repairs: For all infrastructure located downstream of the City’s point of delivery, the burden of maintenance and repair remains with the customers served by that line.
- E. Pass-Through Repair Charges: In the event of a leak, break, or necessary repair on such lines, the Director of Utilities is authorized to determine the proportional responsibility of the properties involved and charge the associated repair costs and water loss directly to the customers’ utility bills.

**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 7TH DAY OF APRIL IN THE YEAR OF OUR LORD, 2026.**

**1st Reading: April 7, 2026**

**2nd Reading: April 21, 2026**

**CITY OF MERCEDES:**

\_\_\_\_\_  
**Oscar D. Montoya, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Joselynn Castillo**  
City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Martie Garcia Vela**  
City Attorney

**DATE:** April 7, 2026  
**FROM:** Joselynn Castillo, City Secretary  
**ITEM:** **Discussion and possible action to Consideration and Action to Renew the Agreement between the City of Mercedes and Waste Connections for Solid Waste Disposal**

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**BACKGROUND INFORMATION:** Staff reached out to Waste Connections regarding their contract, which is set to expire on March 31, 2026. They stated they would be contacting our account manager and reach back to the City. Staff is requesting an extension until September 30, 2026 to align with the fiscal year.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

<b>Proposed Expenditure/(Revenue):</b>	<b>Account Number(s):</b>
\$	

**Finance Review by:**

**LEGAL REVIEW:**

**ATTACHMENTS:**

1. CONTRACT EXTENSION - Waste Connections
2. Waste Connections - First Amendment appvd 6-7-22 executed (1)

**STAFF RECOMMENDATION:** Approval of the extension until the end of the fiscal year or until waste connections submits an updated agreement.

**CONTRACT EXTENSION #2026/04/7**

**BE IT RESOLVED** BY THE CITY COMMISSION OF THE CITY OF MERCEDES, TEXAS, that the contract between the City of Mercedes, Texas and Waste Connections, Municipal Solid Waste Disposal (LEALCO, Inc.) was evaluated and contract renewals may be extended in accordance with the Mercedes City Charter, and

The City Commission hereby exercises the contract extension option for two years beginning April 1, 2026 and ending September 30, 2026 and that the Mayor or Mayor Pro-Tem is hereby authorized to execute this contract extension and to do all other acts necessary to carry said extension into effect.

PASSED, APPROVED, AND ADOPTED THIS THE 7<sup>TH</sup> DAY OF APRIL, 2026.

\_\_\_\_\_  
Oscar D. Montoya Sr., Mayor

ATTEST:

\_\_\_\_\_  
Joselynn Castillo, City Secretary

## FIRST AMENDMENT TO FRANCHISE AGREEMENT

This First Amendment to that certain Franchise Agreement for the Collection, Hauling and Disposal of Municipal Solid Waste and Construction and Demolition Waste (the "First Amendment") is entered into this 7<sup>th</sup> day of June, 2022, (the "First Amendment Effective Date"), by and between **THE CITY OF MERCEDES, TEXAS** ("City") and **LEALCO, INC.** ("Service Provider"). City and Service Provider shall be sometimes referred to collectively as the "Parties."

### RECITALS:

**WHEREAS**, the City and Service Provider entered into that Franchise Agreement for the Collection, Hauling and Disposal of Municipal Solid Waste and Construction and Demolition Waste dated May 1, 2020 (the "Agreement");

**WHEREAS**, the Parties desire to amend the Agreement as further described herein.

### AGREEMENT:

**NOW, THEREFORE**, and in consideration of these premises and such other lawful consideration, the receipt and sufficiency of which each of the parties hereto acknowledge, the parties agree as follows:

1. Term. Upon the First Amendment Effective Date of this First Amendment, the first sentence of Section 12 of the Agreement shall be deleted in its entirety and replaced with the following:

"The term of this Agreement shall commence on April 1, 2020 and shall conclude on March 31, 2026 (the "Term")."

2. Rates. Effective as of July 1, 2022, Exhibit "A" of the Agreement shall be deleted in its entirety and replaced with the Exhibit "A" attached hereto to this First Amendment.

3. Rate Adjustment. Effective as of July 1, 2022, the first sentence of Section 9 of the Agreement shall be deleted in its entirety and replaced with the following:

"Beginning on January 1, 2024, and every subsequent January 1 for the remainder of the Term, the Service Provider may request an increase or decrease in the rates set forth in Section 9 hereof in accordance with CPI-U."

4. Rates and Fees. Effective as of July 1, 2022, the second sentence of Section 9 of the Agreement shall be deleted in its entirety and replaced with the following:

"The City shall be entitled to a franchise fee of ten (10%) percent (the "Franchise Fee") paid out to the City within thirty (30) days following the end of a month for all Roll Off revenue collected by Service Provider from Roll Off hauls and Commercial Units inside the City limits."


5. Reaffirmation. The Parties hereby reaffirm their agreement with all the terms and provisions of the Agreement as amended by this First Amendment.

6. Entire Agreement. The Agreement and this First Amendment represents the entire agreement among the Parties with respect to the matters that are the subject hereof


7. Counterparts; Facsimile Signatures. This First Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which shall collectively constitute one and the same instrument representing this First Amendment between the parties hereto, and it shall not be necessary for the proof of this First Amendment that any party produce or account for more than one such counterpart. Facsimile signatures shall be given the same force and effect as original signatures and shall be treated for all purposes and intents as original signatures.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the First Amendment Effective Date.

LEALCO, INC.

By:   
Name: Yameida Treviño  
Title: Site Manager  
Date: June 7, 2022

CITY OF MERCEDES, TEXAS

By:   
Name: Oscar D. Montoya Sr.  
Title: Mayor  
Date: June 7, 2022

APPROVED AS TO FORM AND CONTENT:


By:   
Name: Joselynn Castillo  
Title: City Secretary  
Date: June 7, 2022

EXHIBIT A –RATES

A. Residential Automated collection & disposal with once a week pick-up:

1 container \$7.43      2<sup>nd</sup> Container \$11.51      3<sup>rd</sup> Container \$15.59  
 4<sup>th</sup> container \$19.67      5<sup>th</sup> Container \$23.73

B. Commercial Automated collection & disposal 96 gallon:

\$13.54 PER CONTAINER

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C. Commercial Dumpster Bins:

	Frequency					
	1	2	3	4	5	6
3 Yard	\$ 89.29	\$ 161.48	\$ 234.49	\$ 306.49	\$ 378.84	\$ 454.59
4 Yard	\$ 104.23	\$ 187.41	\$ 270.83	\$ 355.63	\$ 437.70	\$ 520.58
6 Yard	\$ 133.70	\$ 239.29	\$ 346.60	\$ 459.39	\$ 560.53	\$ 666.46
8Yard	\$ 161.83	\$ 284.32	\$ 420.98	\$ 550.37	\$ 676.53	\$ 803.60

D. Brush Collection and disposal with once a month (front of curb) pick-up:

Residential \$ 2.70      Commercial: \$4.03

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## **Schedule 6.B**

**Contractor will provide to the City of Mercedes, free of charge, the following:**

**Three (3) roll-off containers at the Citizens Collection Site (CCS) to be picked-up and rotated out upon fill-up at no cost.**

**Four (4) roll-off containers at Public Works; on a monthly basis, the first 6 full loads shall be free of charge; however, the 7<sup>th</sup>+ roll off picked-up shall be billed according to the Contractor's typical rate.**

**One (1) 4 yard dumpster bin at the City Hall/Library parking lot.**

**Two (2) 8 yard dumpster bins at the HEB Park.**

**One (1) 8 yard dumpster bin at the Dome Shelter**

**One (1) 8 yard dumpster bin at the Rec Center (Collier Park)  
and RESERVED one (1) 4 yard dumpster bin at the evolving Mercedes Sports Complex to be activated in 2020.**

**One (1) 96 gallon container at the Fire Department**

**Two (2) 96 gallon containers at the Police Department.**

**Contractor will provide, at no cost, a monthly citywide residential tire pick-up effort for the term of the Contract. (NOTE: maximum of 4 tires per household)**

STATE OF TEXAS                   §  
  §  
COUNTY OF HIDALGO           §

**INTERLOCAL COOPERATION AGREEMENT BETWEEN  
THE COUNTY OF HIDALGO, TEXAS, AND THE  
CITY OF **MERCEDES**, TEXAS REGARDING MVCPA TASK FORCE**

THIS Agreement is made on and entered into, effective as of the 17 day of March, 20 26, by and between **HIDALGO COUNTY, TEXAS**, by and through the Hidalgo County Sheriff's Office (the "County"), and **CITY OF **Mercedes**** (the "City"), collectively referred to as the "Parties", pursuant to the provisions of the Texas Interlocal Cooperation Act ("Act"), Chapter 791, et seq., Texas Government Code. The purpose of this Agreement is for County to provide City with law enforcement services within its jurisdiction in accordance with the Texas Government Code Chapter 791. This Agreement shall be fully executed and enforceable on the date it is signed by both of the Parties.

**WITNESSETH:**

**WHEREAS**, the City is a municipality defined as a "Political Subdivision" under the Interlocal Cooperation Act, a political subdivision organized under the laws of the State of Texas;

**WHEREAS**, the County is defined as a "Local Government" under the Act, and a county in the State of Texas;

**WHEREAS**, County and City are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, Chapter 791 Texas Government Code, which authorizes local governments to contract with each other to perform governmental functions and services under the terms of the Act;

**WHEREAS**, this agreement is intended to further the purpose of the Interlocal Cooperation Act, which is to increase the efficiency and effectiveness of local government;

**WHEREAS**, County and City have the objective to operate a multi-agency task force funded in part by the Motor Vehicle Crime Prevention Authority of the State of Texas (MVCPA) grant, for funding in the total amount of **\$1,052,143.00**. Of which, **\$66,008.00** is allocated to the City of **Mercedes** for the items described below;

**WHEREAS**, County and City have agreed to contribute an amount of matching funds in an amount indicated below if said application is approved;

**WHEREAS**, the source of funds would not normally be used for this purpose;

**WHEREAS**, the County and City have the authority and it is in their best interest to join in the application to develop a multijurisdictional MVCPA Task Force;

**WHEREAS**, the County and City agree to each accept the responsibility for their respective commitments and to adhere to all applicable federal, state and local laws or regulations, as well as all grant rules and conditions.

**WHEREAS**, County and City have determined that it is in the best interest and benefit of the citizens of City and County to cooperate in this agreement and that it serves a public purpose;

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

1. All of the above statements are incorporated herein and fully restated.

2. **Purpose.** The purpose of this Agreement is to allow County and City to operate a multi-agency taskforce with the Motor Vehicle Crime Prevention Authority of the State of Texas, which application is attached hereto as Exhibit “A” and made a part hereof for all purposes.

3. **Term.** The term of this Interlocal agreement commences on the effective date indicated above and ends August 31<sup>st</sup>, 2026, or unless otherwise terminated as provided herein.

4. **Termination.** This Agreement may be terminated for convenience by either party upon thirty (30) days written notice to the other party. This Agreement may also be terminated immediately by mutual written agreement of the parties. The parties intend this provision to be a continuing right to terminate this Agreement.

5. **Consideration.** As consideration for this Agreement, City agree to contribute a total of \$13,202.00 in matching funds for the enhancement of the funded grant program in the amounts and methods as follows:

Item Description	Amount	Method (Cash Paid/In Lieu of/In Kind)
Total Professional and Contract Services	\$10,712	General Funds/ Cash
Total Overtime	\$536	General Funds/ Cash
Total Travel	\$871	General Funds/ Cash
Total Equipment	\$583	General Funds/ Cash
Total Supplies and Direct Operating Expenses (DOE)	\$500	General Funds/ Cash

**6. Allocation of Funds.** The specific allocation of the City funds is set out in Exhibit “A” of this Agreement and made part hereof for all purposes.

**7. Equipment.** Upon termination of this Agreement, equipment including vehicles, hardware, and other non-expendable items will revert back to the applicant. The Motor Vehicle Crime Prevention Authority of the State of Texas will be notified and inventory records will be updated.

**8. Amendments.** This Agreement may be amended by the mutual agreement of the parties hereto in writing to be attached to and incorporated into this agreement.

**9. Indemnity.** TO THE EXTENT AUTHORIZED BY LAW AND WITHOUT WAIVING ANY GOVERNMENTAL OR OFFICIAL IMMUNITIES OR DEFENSES, CITY AGREES TO AND SHALL INDEMNIFY, SAVE AND HOLD HARMLESS, AND DEFEND COUNTY, ITS OFFICIALS, OFFICERS, AGENTS, AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO ATTORNEY’S FEES AND RELATED COSTS, FOR PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE, DESTRUCTION, OR LOSS ARISING OUT OF OR CONNECTED IN ANY WAY WITH THE PERFORMANCE BY CITY OFFICIALS, AGENTS, AND EMPLOYEES OF CITY’S RESPONSIBILITIES UNDER THIS AGREEMENT, WHERE SUCH PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE, DESTRUCTION, OR LOSS IS CAUSED BY THE JOINT NEGLIGENCE OF CITY AND ANY OTHER PERSON OR ENTITY OR THE JOINT INTENTIONAL ACT OR OMISSION OF CITY AND ANY OTHER PERSON OR ENTITY. SUCH INDEMNITY SHALL APPLY WHERE THE CLAIMS, LOSSES, DAMAGES, CAUSES OF SUCH ACTION, SUITS OR LIABILITY ARISE IN WHOLE OR IN PART FROM THE NEGLIGENCE OR INTENTIONAL ACT OR OMISSION OF CITY.

**10.** This Agreement is not intended to extend the liability of the Parties beyond that provided by law. Neither County nor City waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims arising from third parties.

**11. 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 agreement or representative) and 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 City and County, and not otherwise.

**12. Texas Law to Apply.** The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas. 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 City hereby consent to personal jurisdiction in Hidalgo County, Texas.

**13. Conflict of Applicable Law/Severability.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is a

conflict between and provisions of their 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 latter shall prevail, but in such event the affected provisions or provision of the Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during times such conflict exists. 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.

**14. Authority to Execute.** The execution and performance of this Agreement by each Party to this Agreement has been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of the Parties to this Agreement in accordance with its terms.

**15. 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 County: County of Hidalgo  
Attention: County Judge  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, TX 78539

w/ copy to: Hidalgo County Sheriff's Office  
Attn: Hidalgo County Sheriff  
711 El Cibolo Rd.  
Edinburg, TX 78541

If to City: City of Mercedes  
Attn: Chief of Police Francisco J. Sanchez  
Address: 316 S. Ohio Ave  
Mercedes, TX, 78570

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.

**16. 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 for the paying party, as herein provided.

**17. Commitment or 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 ninety (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.

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

**19. No Waiver of Immunities/Defenses:** Nothing in this Agreement is intended to and the Parties to this Agreement do not hereby waive, release or relinquish any right to assert any of the defenses the Parties to this Agreement may enjoy by virtue of the state or federal constitution, laws, rules or regulations, and any sovereign, official or qualified immunity available to the Parties to this Agreement as to any claim or action of any person, entity, or individual against the Parties to this Agreement.

**20. 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 by each Party's respective policy, including without limitation race, color, national origin, religion, sex, age, veteran status, disability or any other protected category.

**21. 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.

**22. Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

**23. Assignments.** This Agreement shall not be assignable.

**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.

**22. Authority to Execute:** The execution and performance of this Agreement by each Party to this Agreement has been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of the Parties to this Agreement in accordance with its terms.

**23. Governing Provisions.** Parties shall comply with all applicable laws and regulations.

**24. 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.

**25. Prior Agreements.** This Agreement supersedes and terminates all previous Interlocal Agreement(s) between the parties hereto concerning the subject matter hereof, except for any Interlocal Agreement dated prior to this Agreement to the extent work is being performed under said Agreement at the time of executing this Agreement. Once ongoing work under any such previous Interlocal Agreement(s) is completed and payment is remitted such previous Interlocal Agreement shall terminate at such time.

**26. Appendix II to CFR 200-Contract Provisions.** Pursuant to 2 CFR 200.327, a non- Federal entity's contracts must contain the applicable provisions described in Appendix II to 2 CFR 200-Contract Provisions for non-Federal Entity Contracts under Federal Awards. Therefore, if applicable, the provisions of Appendix II to 2 CFR 200 are incorporated by reference into this County contract should it be subject to Federal award.

[SIGNATURE PAGE TO FOLLOW]

**WITNESS THE HANDS OF THE PARTIES** effective as of the day and year first written above.

**THE CITY OF \_\_\_\_\_,**  
**TEXAS**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Mayor

**ATTEST**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
City Secretary

**THE COUNTY OF HIDALGO**

\_\_\_\_\_  
Richard F. Cortez, County Judge

**ATTEST**

\_\_\_\_\_  
Arturo Guajardo, Jr., County Clerk

*Approved by Hidalgo County Commissioners Court on: \_\_\_\_\_*  
*Agenda Item No. \_\_\_\_\_*

**APPROVED AS TO FORM:**  
Hidalgo County Criminal District Attorney's Office  
Toribio "Terry" Palacios

\_\_\_\_\_  
\_\_\_\_\_, Assistant District Attorney

**DATE:** April 7, 2026  
**FROM:** Marisol Vidales, Library Director  
**ITEM:** **Discussion and possible action to Consideration and Action on Interlocal agreement between Hidalgo County and the City of Mercedes regarding the Hidalgo County Library System.**

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**BACKGROUND INFORMATION:** Hidalgo County and the Hidalgo County Library System (HCLS) annually sign an interlocal agreement in which the 14 municipal libraries agree to provide services to county residents. In turn, the county budgets an annual amount to provide for the library system. This year, the county budgeted \$321,255. The funds were first used to pay for the Integrated Library System (ILS) that 12 of the 14 libraries used to manage borrowers, the collection, and fines. This year the ILS invoice was a total of \$48,700. Our courier service for InterLibrary Loans was also covered and that came to \$32,620. Additional assistance was provided to McAllen and Edinburg for their ILS in the amount of \$8,116.66. The remaining \$231,818.34 is then divided equally between the 13 libraries that comprise HCLS. Each library will be receiving \$16,558.45 in order to help with library operating expenditures, excluding staff, after the signed interlocal is received.

**BOARD REVIEW/CITIZEN FEEDBACK:** Not applicable

**ALTERNATIVES/OPTIONS:** Not applicable

**FISCAL IMPACT: (Total Costs)**

<b>Proposed Expenditure/(Revenue):</b>	<b>Account Number(s):</b>
\$	

**Finance Review by:** Pending but budgeted for yearly

**LEGAL REVIEW:** Pending

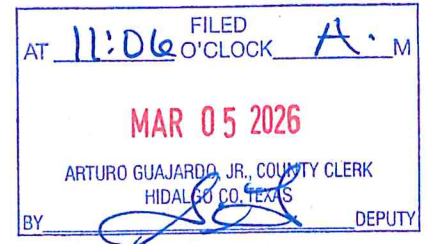
**ATTACHMENTS:**

1. HCLS Interlocal Agreement 2026

**STAFF RECOMMENDATION:** Staff is recommending approval of this yearly agreement.

THE STATE OF TEXAS §

COUNTY OF HIDALGO §



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

This Agreement is made effective as of this 3rd day of March, 2026, by and between HIDALGO COUNTY, TEXAS hereinafter referred to as "County," and the CITY OF MERCEDES, TEXAS hereinafter referred to as "City" pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

WHEREAS, the County has established the Hidalgo County Library System (hereinafter "HCLS");

WHEREAS, the County wishes to Contract with the City for library privileges from the City's established library;

WHEREAS, pursuant to Tex. Loc. Gov't Code Section 323.011 the City understands that the City's library will assume the functions of a County library within the County;

WHEREAS, pursuant to standard HCLS operating procedures, HCLS acquires library materials, supplies and services, electronic database services, audiovisual equipment, and computer hardware, software and other resources for library services for the free use of City's library by residents of rural areas of the County;

WHEREAS, the County and City desire to clarify the terms and conditions of the operation of HCLS, and to provide direct funding to City in certain circumstances;

WHEREAS, the County finds that the City is suitably organized to provide efficient and effective free library services to County residents under Chapter 323; and

WHEREAS, the County therefore desires to expend funds to assist City with the expenses of establishing, operating and maintaining its free library in the County.

NOW THEREFORE, for and in good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the County and the City hereby agree as follows:

1. The County shall budget an estimated amount each year for the following fiscal year and allocate such amount from the County's General Fund as payment for various libraries of County of which City library is one. Such estimated amount will be allocated to County libraries in accordance with a formula established, reviewed and

such event the affected provision(s) of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

8. No Waiver: No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

9. 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 City and County, and not otherwise.

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.

10. 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 County: County of Hidalgo  
Attention: Richard F. Cortez, County Judge  
100 E. Cano, 2<sup>nd</sup> Floor  
Edinburg, Texas 78539

If to City: City of Mercedes, Texas  
Attn: City Manager  
400 S Ohio St  
Mercedes, Texas 78570

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.

WITNESS THE HANDS OF THE PARTIES this 3rd day of March, 2026.

HIDALGO COUNTY, TEXAS

Richard F. Cortez, County Judge



ATTEST:

Arturo Guajardo, Jr., County Clerk

CITY OF MERCEDES, TEXAS

Oscar D. Montoya, Mayor

ATTEST:

By: \_\_\_\_\_  
Joselynn Castillo, City Secretary

APPROVED AS TO FORM:

Hidalgo County Criminal District Attorney's Office  
Toribio "Terry" Palacios

By:   
Victor M. Garza, Chief Administrative Attorney

CITY:

By: \_\_\_\_\_  
Martie Garcia Vela, City Attorney



**DATE:** April 7, 2026  
**FROM:** Joselynn Castillo, City Secretary  
**ITEM:** Discussion and possible action to Consideration and Action on Agreement between the County of Hidalgo Elections Department and the City of Mercedes regarding the 2026 May Election for Mayor, Commissioner Place 1 and Commissioner Place 3

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**BACKGROUND INFORMATION:** The City of Mercedes will be having an election on May 2, 2026, for Mayor, Commissioner Place 1 and Commissioner Place 3. The Elections department is contracted to provide the voting machines and election judges and clerks. Staff has budgeted \$50,000 for the election costs. However, the quote has not been received as of now.

**BOARD REVIEW/CITIZEN FEEDBACK:**

**ALTERNATIVES/OPTIONS:**

**FISCAL IMPACT:** (Total Costs)

**Proposed Expenditure/(Revenue):**  
\$ 50,000

**Account Number(s):**  
01-540-2070

**Finance Review by:** No

**LEGAL REVIEW:** No

**ATTACHMENTS:**

None

**STAFF RECOMMENDATION:** Staff recommends approval of agreement pending legal review.