

**MERCEDES CITY COMMISSION
REGULAR MEETING
APRIL 21, 2026 – 6:30 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
Jonas Gonzalez, Assistant City Manager
Martie Garcia Vela, City Attorney
Denisse Hernandez, Planning Director
Kristine Longoria, H.R. Director
Armando Villela, Park Director
Richard Morin, Rec. Center Director
Francisco Sanchez, Police Chief
Javier Campos, Fire Director
Michael Rocha, I.T Director
Tom Villagomez, Public Works Director
Marisol Vidales, Library Director

OTHERS PRESENT: Juan Vasquez, Kayla Solis

1. Call Meeting to Order

Mayor Oscar Montoya welcomed those in attendance and called the meeting to order at 6:30 p.m.

2. Establish Quorum

All members of the Commission were present, constituting a quorum.

3. Invocation

Mayor Pro-Tem Saldana led the invocation.

4. Pledge of Allegiance

Commissioner Martinez led in the pledge of allegiance.

5. Open Forum

No individuals signed up to speak during the Open Forum.

6. Presentation

- a. Presentation from Luis Saldana on RGVLS 2026

A representative provided a recap of the 87th Annual Livestock Show, highlighting over 3,000 youth participants, 7,000 exhibits, and an estimated 400,000 attendees. The event generated an estimated \$28 million in regional economic impact and approximately \$1.8 million in payments to youth participants. City support services were acknowledged, and operational improvements, including free parking, were noted as successful. A concern was raised regarding limited cellular network capacity during peak times. A recap video was also presented.

7. Consent Agenda

- a. Approval of Minutes for Meeting(s) held April 7, 2026
- b. Second and Final Reading of Ordinance 2026-08 to Rezone Lot 7 Block 66 Capihallo District
- c. Second and Final Reading of Ordinance 2026-09 to Rezone Lot 4 Block 64 Capihallo District
- d. Second and Final Reading of Ordinance 2026-11 to amend Article 13 "Utilities"
- e. Second and Final Reading of Ordinance 2026-12 to amend Article A8.000 "Utility Rates and Charges"

Commissioner Martinez made a motion to approve all items under the Consent Agenda. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

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

- a. Discussion and Possible Action to Approve The Interlocal Agreement 2026 – 2027 Between The Rio Grande Valley Emergency Communication District 9-1-1 And Public Safety Answering Points (“PSAPS”) For 9-1-1 Service

It was reported that, following recent observations and feedback from dispatch staff, the partnership has been operating effectively with improved communication between agencies. Based on current readiness and cost considerations, a recommendation was made to continue the existing collaboration. Mayor Pro-Tem Saldana made a motion to approve the item. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

- b. Consideration and Possible Action to accept removal of 8.0-acre tract of land out of lot 4, block 40, of the Capihallo District Subdivision of a part of the Llano Grande Grant as per map or plat thereof recorded in volume "P", page 226-227, map records of Hidalgo County, Texas from the City of Mercedes ETJ LGC Sec. 42.102(b), Sec. 42.105(c)

Discussion was held regarding the implications of removing a property from the ETJ. It was noted that while the property owner would not be required to go through the City’s subdivision review process, the City would still be required to provide water and sewer services under its CCN. Concerns were raised about potential long-term costs to the City, as future service demands may increase without corresponding developer obligations. Commissioner Martinez made a motion to approve the item. Mayor Pro-Tem Saldana seconded the motion. Upon a called vote, the motion passed unanimously.

- c. Consideration and Possible Action to accept removal of Tract 1: Being a 29.98 Acres being all of the East 30 Acres of Lot 13, Block 28, Capisallo District Subdivision of the Llano Grande Grant, Hidalgo County, Texas and Tract 2: West 10 Acres of Lot 13, Block 28, Capisallo District Subdivision, Hidalgo County, Texas from the City of Mercedes ETJ LGC Section 42.105(c)

Commissioner Martinez made a motion to approve the removal of the tract from the Extraterritorial Jurisdiction (ETJ). Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

9. Ordinances/Resolutions

- a. Consideration and Approval of a Resolution by the City Commission of the City of Mercedes, Texas Authorizing and Approving Publication of Notice of Intention to Issue Certificates of Obligation; Complying with the Requirements Contained in Securities and Exchange Commission Rule 15c2-12; and Providing an Effective Date (Resolution 2026-19)

Bobby Villarreal of Estrada Hinojosa presented information regarding the City's 2026 Certificate of Obligation bonds in partnership with the Texas Water Development Board. The project totals approximately \$19 million, with \$11.78 million to be financed and approximately \$7.23 million in principal forgiveness. The estimated interest rate is 3.69%. It was noted that prior financial planning accounted for these obligations, and no additional water rate increases will be required. The City's A+ rating will be maintained. Commissioner Garcia made a motion for the City Commission to adopt Notice of Intention Resolution No. 2026-19. Mayor Pro-Tem Saldana seconded the motion. Upon a called vote, the motion passed unanimously.

- b. Consider and take possible action on Ordinance 2026-13 to amend TIRZ No. 1 Agreement
- c. Consider and take possible action on Ordinance 2026-14 to terminate TIRZ No. 1
Mayor Pro-Tem Saldana expressed concern regarding past agreements and whether funds had been properly utilized and accounted for, noting the lack of time to fully review the extensive documentation. He questioned the financial history and obligations tied to the agreement. In response, it was explained that while funds had been used for prior projects, historical records are incomplete, making it difficult to verify past transactions or obligations. Indicating that the City is unable to substantiate certain claims due to missing documentation dating back to approximately 2008. As a result, the proposed action was presented as the most practical resolution moving forward, with the County expected to review the City's formal action. Mayor Pro-Tem Saldana made a motion to approve the Ordinance 2026-13 and 2026-14 to amend and terminate TIRZ No.1. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

10. Bids/Contracts

- a. Consideration and Action to Renew the Contract between the City of Mercedes and

Dr. Andrew Levine, Medical Director

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

b. Discussion and Action regarding CINTAS Contract for Uniform Services

The City Manager noted that while certain services are included in the contract, the City is not obligated to utilize all of them. He indicated that cost-saving opportunities exist, as the City may choose only the services it needs while retaining the contracted pricing if those services are used. Commissioner Garcia made a motion to accept the CINTAS contract for uniform services. Mayor Pro-Tem Saldana seconded the motion. Upon a called vote, the motion passed unanimously.

11. Monthly Departmental Reports

a. IT, Library, City Sec/HR, Fire Dept., Public Works, Planning

The City reestablished its league program this year with 80 participants, compared to approximately 70 participants in the Pony League last year. Three divisions were formed, with plans to expand in the future, including the addition of softball. The program includes games against teams from other cities as well as local match-ups. Sponsorship support was received from multiple local businesses and organizations, contributing to the program's success. Updates were also provided on field improvements, including equipment purchases to allow in-house maintenance, plans for lighting upgrades to LED, and potential scoreboard installations funded through sponsorship opportunities.

Public Works Director Mr. Villagomez reported ongoing efforts to protect fire hydrants that have been damaged by vehicles by installing protective barriers. An update was also provided on the 10th Street Bridge, where erosion beneath the structure was identified. An engineer has been engaged to develop a repair plan, and TxDOT will continue to inspect the work. Concerns were raised regarding long-term structural integrity and future replacement planning due to continued erosion and heavy usage. Additionally, progress was reported on the drainage project near the Dome, with piping completed and work underway on a detention pond. The project is currently ahead of schedule.

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)

Mayor Montoya called the meeting into Executive Session at 7:22 p.m.

- a. Discussion with City Manager regarding personnel matters - Section 551.074
- b. Consultation with Attorney regarding update on litigation - Section 551.071
- c. Consultation with Attorney regarding Project Updates - Section 551.087
- d. Discussion regarding Project Blue - Section 551.087

13. Open Session

Mayor Montoya reconvened the meeting at 8:10 p.m.

- a. Possible Action pertaining to executive session item A

No action was taken on this item.

b. Possible Action pertaining to executive session item B

No action was taken on this item.

c. Possible Action pertaining to executive session item C

No action was taken on this item.

d. Possible Action pertaining to executive session item D

Mayor Pro-Tem Saldana made a motion to proceed as discussed with Project Blue, providing a \$75,000 incentive to Blue Bunting Lodge. Commissioner Garcia seconded the motion. Upon a called vote, the motion passed unanimously.

14. Adjournment

Commissioner Garcia made a motion to adjourn the meeting. Mayor Pro-Tem Saldana seconded the motion. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:11 p.m.

[MIN_SIGNATURES]