
MERCEDES CITY COMMISSION
REGULAR MEETING
JUNE 2, 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 in recognition of the Mercedes UIL Academic Students
7. **Consent Agenda**
 - a. Approval of Minutes for Meeting(s) held May 20, 2026
8. **Bids/Contracts**
 - a. Consideration and Action on the Preventative Maintenance Proposals for AC for the Dome, City Hall and Fire Department
 - b. Discussion and Possible Action on the Compensation Study Agreement between the City of Mercedes and Dr. Marcos Garza
9. **Executive Session: Chapter 551, Texas Government Code, Section 551.071 (Consultation with Attorney), Section 551.072 (Deliberation regarding Real Property), Section 551.074 (Personnel Matters) and Section 551.087 (Economic Development)**
 - a. Discussion with City Manager regarding personnel matters - Section 551.074
 - b. Consultation with Attorney regarding update on litigation - Section 551.071
 - c. Consultation with Attorney regarding Economic Development Projects - Section 551.087
10. **Open Session**
 - a. Possible Action pertaining to executive session item A
 - b. Possible Action pertaining to executive session item B
 - c. Possible Action pertaining to executive session item C
11. **Adjournment**

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a Regular Meeting on Tuesday, June 2, 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 27TH DAY OF MAY, 2026.

ATTEST:

Joselynn Castillo, City Secretary
Time of Posting: 5:50 P.M.

ACCESSIBILITY STATEMENT

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



Office of the MAYOR CITY OF MERCEDES



Proclamation

RECOGNIZING MERCEDES INDEPENDENT SCHOOL DISTRICT UIL ACADEMICS STUDENTS

WHEREAS, the City of Mercedes proudly recognizes and celebrates the academic accomplishments of students who represent our community with excellence, determination, and integrity; and

WHEREAS, UIL academics provides students across the State of Texas the opportunity to compete in rigorous academic events that promote critical thinking, writing skills, and scholastic achievement; and

WHEREAS, Mercedes Independent School District UIL Academics had six outstanding students compete at the UIL Regional Meet, demonstrating remarkable talent, discipline, and commitment to academic excellence; and

WHEREAS, the City of Mercedes is especially proud to recognize a historic achievement as, for the first time in many years, a Mercedes ISD student has qualified for the UIL State Academic Competition; and

WHEREAS, Zachary Sanchez earned a top-three finish in Copy Editing at the regional level, advanced to the UIL State Competition in Austin, Texas, and proudly achieved a historic 5th Place in the State and additionally placed fourth in Feature Writing, earning the role of state alternate in that event; and

WHEREAS, Adrian Gonzalez also delivered an outstanding performance by placing fourth in Headline Writing and earning a position as a state alternate; and

WHEREAS, the achievements of these students reflect the strength of Mercedes ISD, the dedication of educators and coaches, and the continued promise of the youth of our community;

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, Joe Martinez, Armando Garcia and Rolando Garcia do hereby officially proclaim June 2, 2026 as:

“Mercedes ISD UIL Academics Students Recognition Day”

In the City of Mercedes, Texas, and encourage all citizens to join in celebrating these outstanding students for their academic excellence and for representing the Tiger spirit with pride.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Mercedes to be affixed this 2nd day of June, 2026.

CITY OF MERCEDES

ATTEST:

**JOSELYNN CASTILLO,
CITY SECRETARY**

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

**MERCEDES CITY COMMISSION
REGULAR MEETING
MAY 20, 2026 – 6:30 PM
MERCEDES CITY HALL – COMMISSION CHAMBERS
400 S. OHIO AVE., MERCEDES, TX 78570**

MEMBERS PRESENT: Commissioner Joe Martinez
Commissioner Armando Garcia
Mayor Pro-Tem Ruben Saldana
Commissioner Rolando Garcia

MEMBERS ABSENT: Mayor Oscar Montoya

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

OTHERS PRESENT:

1. Call Meeting to Order

Mayor Pro-Tem Saldana welcomed everyone and called the meeting to order at 6:32 p.m.

2. Establish Quorum

Four members of the Commission were present, constituting a quorum. Mayor Oscar Montoya was absent.

3. Invocation

Commissioner Martinez led the invocation.

4. Pledge of Allegiance

Commissioner R. Garcia led in the pledge of allegiance.

5. Open Forum

There were no residents signed up to speak during Open Forum.

6. Presentation

- a. Presentation by Dr. Marco Garza regarding compensation study
Mr. Perez stated the City is working to improve employee pay scales and is considering a formal compensation study to remain competitive and support employee growth. Dr. Marco Garza addressed the Commission regarding the services he provides, including compensation studies, leadership development, and team-building tools. He explained that

the study would review job descriptions, regional salary data, and internal and external factors, focusing on performance, attendance, and behavior. Dr. Garza stated the study would compare local, state, and federal data while maintaining confidentiality. He added that the study would take approximately two to three months to complete, with the overall process lasting up to twelve months. Mr. Perez stated the cost would depend on the scope of work. There was no further discussion.

- b. Presentation by Perdue Brandon Fielder Collins & Mott LLP of the Collection Report October 1, 2025 - March 31, 2026

Mr. Hiram Gutierrez of Perdue Brandon Fielder Collins and Mott, LLP presented the Semi-Annual Collection Report for October 2025 through March 2026. He reported on delinquent tax and municipal court collections, including collection efforts such as mailed letters, phone contacts, field inspections, and payment agreements. The firm also reported litigation activities involving delinquent taxes, tax sales and resales, and bankruptcy cases, along with total delinquent tax collections of \$232,916 and improved collection rates compared to the prior year. For municipal court fines and fees, the report included outreach efforts through letters, calls, and texts, with total cash collections of \$38,539 for the reporting period and cumulative collections of \$413,189 since 2016. The Delinquent Tax Receivable balance was reported at \$1,281,729. The item was presented for informational purposes only, and no action was taken by the Commission.

7. **Ordinances/Resolutions**

- a. Discussion and possible action on Resolution No. 2026-31 authorizing the Resale of Foreclosed Real Estate Properties for failure to pay ad valorem taxes
Commissioner Martinez motioned to approve Resolution 2026-31, seconded by Commissioner A. Garcia. Mr. Romeo Cantu of Perdue, Brandon, Fielder, Collins & Mott, LLC, presented three Mercedes properties for tax resale, noting that all had previously gone to auction without receiving bids and that the listed costs were estimates, with the potential for higher returns at auction. Mr. Perez noted that property ID 131663 could be beneficial for drainage improvements or other city use. Commissioner Martinez then amended his motion to exclude property ID 131663, which was seconded by Commissioner A. Garcia. The amended motion passed unanimously upon a called vote.

8. **Consent Agenda**

- a. Approval of Minutes for Meeting(s) held May 5, 2026 and May 12, 2026
Commissioner Martinez motioned to approve all items under the Consent Agenda, seconded by Commissioner A. Garcia. Upon a called vote, the motion passed unanimously.

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

- a. Approval of Request from Leadership Mercedes Class 5 Regarding the Lending Library Proposal
Planning Director Denisse Hernandez and Mr. Axel Vallejo of Leadership Mercedes Class 5 requested approval to place a lending library at the Mercedes Dome. Commissioner A.

Garcia motioned to approve the request, seconded by Commissioner R. Garcia. Upon a called vote, the motion passed unanimously.

b. Transfer of Public Information Officer Position from City Secretary to Library
Mr. Perez informed the Commission that funding for the Public Information Officer position would be moved from the City Secretary's Office to the Library to improve oversight of social media postings and coordination of city events. Commissioner Martinez motioned to approve, seconded by Commissioner A. Garcia. Ms. Vidales stated the position would be titled "Media Specialist" rather than PIO, as it would not handle public information requests. She also noted the Library already manages social media postings and explained that the Media Specialist would meet with departments weekly. Commissioner Martinez recommended that the employee also establish and maintain relationships with local media outlets to support public communication. Ms. Vidales added that the schedule would be flexible to accommodate emergencies. Upon a called vote, the motion passed unanimously.

c. Consideration and Action to appoint/reappoint members to the Planning & Zoning Board

Planning Director Denisse Hernandez informed the Commission that the terms for two board members had expired and both members, Samuel Longoria and Nancy Garza, expressed interest in being reappointed. Their new terms would be for two years, expiring in 2028. Commissioner Martinez motioned to reappoint both members, seconded by Commissioner A. Garcia. Upon a called vote, the motion passed unanimously.

10. Bids/Contracts

a. Consideration and Action on Federal Work-Study Agreement between The University of Texas Rio Grande Valley and the City of Mercedes.

Library Director Marisol Vidales presented an agreement with the University of Texas Rio Grande Valley for Federal Work-Study students to assist with library projects and events at no cost to the City. Commissioner Martinez motioned to approve the agreement, seconded by Commissioner A. Garcia. Upon a called vote, the motion passed unanimously.

11. Monthly Departmental Reports

a. IT, Planning, Finance, Rec Center, City Sec/HR, Library

Mayor Pro-Tem Saldana asked about the \$2 million payment reflected in the sales tax report, and Ms. Hernandez provided clarification on the figures included in the report. He also inquired about SDI Engineering, LCJ Consultants, and CB3 Consulting. Mr. Villela stated that the library outdoor project is expected to be completed next week, after which work will move forward on the basketball sponsorships. Mr. Morin noted that the roof has been holding up well.

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)

Commissioner A. Garcia motioned to go into Executive Session, seconded by Commissioner R. Garcia. Upon a called vote, the motion passed unanimously. The Commission entered Executive Session at 7:34 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 Water District - Section 551.087

13. Open Session

Mayor Montoya reconvened the meeting at 8:49 p.m.

- a. Possible Action pertaining to executive session item A
No action was taken on item A from the executive session.
- b. Possible Action pertaining to executive session item B
No action was taken on item A from the executive session.
- c. Possible Action pertaining to executive session item C
No action was taken on item A from the executive session.

14. Adjournment

Commissioner A. Garcia motioned to adjourn, seconded by Commissioner Martinez. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:50 p.m.

[MIN_SIGNATURES]

PREVENTATIVE MAINTENANCE PROPOSAL
Name : CITY OF MERCEDES (FIRE HOUSE)
Phone : (956) 893-2316
Email: klongoria@cityofmercedes.com ;
Service Address : 105 N Ohio Ave, Mercedes, TX 78570
Billing Address : PO BOX 837 MERCEDES, TX. 78570
Did you know? Proper regular preventative maintenance can help you ... <div style="display: flex; justify-content: space-around;"> *Extend the life of your HVAC unit * Reduce utility bills </div> <div style="display: flex; justify-content: space-around;"> *Prevent unsafe operation conditions * Avoid costly breakdowns </div>
L&S AIR LLC agrees to provide preventative maintenance service to all HVAC equipment at the above reference service address. We agree to contact you in a timely manner to remind you when service is due. Performing regular preventive maintenance will help ensure efficient operation of equipment.

Maintenance Coverage:
<ul style="list-style-type: none"> ➤ Flushing out the main drain lines ➤ Checking Blower wheel ➤ Condenser washes ➤ Checking all electrical components ➤ AMP draws ➤ Evaporator Coil inspection

Cost Breakdown:
Maintenance - \$200 each unit + tax; Quarterly
\$300 allowance for extra parts and repairs found during maintenance calls that are needed, per system. Can be combined for any major repairs

Acceptance of Maintenance Agreement:

CITY OF MERCEDES agrees to (initial all that apply):

- Pay Upon Maintenance / Repair completion
- Pay Net 10
- Pay Net 30

I agree to the above agreement and acknowledge the cost of the preventative maintenance. L&S AIR LLC and CITY OF MERCEDES agreement will continue for one year and be automatically renewed each year unless otherwise directed by either party. Past due payments will include a 10% weekly fee until received. Maintenance agreement for two calendar years (MAY 13, 2026 – MAY 13, 2027).

X 

L&S AIR Office Manager

05/13/2026

Date

X _____
CITY OF MERCEDES BUILDING MANAGEMENT

Date

PREVENTATIVE MAINTENANCE PROPOSAL
Name : CITY OF MERCEDES (CITY HALL)
Phone : (956) 565-3114
Email: klongoria@cityofmercedes.com ;
Service Address : 400 S Ohio Ave, Mercedes, TX 78570
Billing Address : PO BOX 837 MERCEDES, TX. 78570
Did you know? Proper regular preventative maintenance can help you ... <div style="display: flex; justify-content: space-around;"> *Extend the life of your HVAC unit * Reduce utility bills </div> <div style="display: flex; justify-content: space-around;"> *Prevent unsafe operation conditions * Avoid costly breakdowns </div>
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X 

L&S AIR Office Manager

05/13/2026

Date

X _____
CITY OF MERCEDES BUILDING MANAGEMENT

Date

PREVENTATIVE MAINTENANCE PROPOSAL	
Name :	CITY OF MERCEDES
Phone :	(956) 687-6103
Email :	avillela@cityofmercedes.com rmorin@cityofmercedes.com
Service Address :	1202 N VERMONT AVE. MERCEDES, TX 78570
Billing Address :	PO BOX 837 MERCEDES, TX. 78570
Did you know?	Proper regular preventative maintenance can help you ... *Extend the life of your HVAC unit * Reduce utility bills *Prevent unsafe operation conditions * Avoid costly breakdowns
<p>L&S AIR LLC agrees to provide preventative maintenance service to all HVAC equipment at the above reference service address. We agree to contact you in a timely manner to remind you when service is due. Performing regular preventive maintenance will help ensure efficient operation of equipment.</p>	

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I agree to the above agreement and acknowledge the cost of the preventative maintenance. L&S AIR LLC and CITY OF MERCEDES agreement will continue for one year and be automatically renewed each year unless otherwise directed by either party. Past due payments will include a 10% weekly fee until received. Maintenance agreement for two calendar years (APRIL 16, 2025 – APRIL 16, 2027).

X 

L&S AIR Office Manager

04/16/2025

Date

X 

CITY OF MERCEDES BUILDING MANAGEMENT

5.2.25

Date

City of Mercedes

Year 1 Implementation Action Plan & Project Roadmap

Project Duration: 12 Months

Start Date: May 2026 (estimated)

Project Approach

The project will be implemented in phases designed to:

- Create quick wins early in the engagement
- Complete the **compensation study within 90 days**
- Begin leadership development immediately
- Minimize operational disruption
- Build systems that can be sustained internally

Workstream A ~ Compensation & HR Infrastructure (60–90 Day Priority)

Phase 1: Project Kickoff & Discovery

Target Dates: Weeks 1–2

May 2026 - Activities

- ✓ Kickoff meeting with Leadership Team
- ✓ Confirm project goals and success measures
- ✓ Review current compensation practices
- ✓ Identify project champions and stakeholders
- ✓

<p>Request and gather HR documentation:</p> <ul style="list-style-type: none">• Current job descriptions• Organizational chart• Existing pay schedules• Evaluation forms• Employee handbook• Classification information• Existing salary data• Historical compensation information	<p>Deliverables</p> <ul style="list-style-type: none">• Project Charter• Information Request Checklist• Communication Plan <p>Notion Portal OR Drop Box</p>
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Phase 2: Internal Job Review & External Market Analysis

Target Dates: Weeks 2–6

May–June 2026 - Activities

- ✓ Department interviews and leadership discussions
- ✓ Job responsibility validation
- ✓ Job task analysis review
- ✓ Internal alignment analysis

External benchmarking: <ul style="list-style-type: none">• RGV regional market analysis• Similar municipality comparisons• Critical/high-demand position analysis Specialized role review	Deliverables <ul style="list-style-type: none">• Internal Position Analysis Summary Market Benchmark Report
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Phase 3: Compensation Structure Design

Target Dates: Weeks 6–10

June–July 2026 - Activities

- ✓ Develop pay grades and ranges

Including:

- Minimum
- Midpoint
- Maximum
- Position placement
- Step progression recommendations

Develop: <ul style="list-style-type: none">• Compensation philosophy• Reclassification guidelines Market adjustment guidelines	Deliverables <ul style="list-style-type: none">• Draft Compensation Study• Salary Structure Workbook• Pay Grade Matrix Compensation Philosophy Draft
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Phase 4: Compensation Review & Leadership Approval

Target Dates: Weeks 10–12

July–August 2026

Activities

- ✓ Leadership review sessions
- ✓ Scenario analysis
- ✓ Financial impact review
- ✓ Revision and finalization

Deliverables

- Final Compensation Study
- Compensation Policy Framework
- Leadership Recommendation Summary

Target Completion Goal

 Compensation Study Complete: **within 60–90 days**

Workstream B

Leadership, Culture & Organizational Development (Runs Concurrently)

Phase 1: Leadership Needs Assessment

Target Dates: Month 1–2

May–June 2026

Activities

- ✓ Leadership interviews
- ✓ Identification of strengths/opportunities
- ✓ Leadership capability review

Deliverables - Leadership Development Needs Assessment

Phase 2: Leadership Training Series Launch

Target Dates: Month 2–12

June 2026–April 2027

Monthly Leadership Sessions - Potential topics:

Month 1: <ul style="list-style-type: none">• Communication & Personality Styles	Month 7: <ul style="list-style-type: none">• Conflict Management
Month 2: <ul style="list-style-type: none">• Accountability & Expectations	Month 8: <ul style="list-style-type: none">• Leadership Presence & Decision-Making
Month 3: <ul style="list-style-type: none">• Coaching & Feedback	Month 9: <ul style="list-style-type: none">• Team Development
Month 4: <ul style="list-style-type: none">• Difficult Conversations	Month 10: <ul style="list-style-type: none">• Succession Planning
Month 5: <ul style="list-style-type: none">• Performance Management	Month 11: <ul style="list-style-type: none">• Change Management
Month 6: <ul style="list-style-type: none">• Corrective Action & Documentation• Capstone Leadership Session	Month 12:

Phase 3: Service Values & Culture Alignment

Target Dates: Month 4–7

August–November 2026

Activities

- ✓ Leadership workshop
- ✓ Define or refine service values
- ✓ Create behavioral standards

<p>Integrate values into:</p> <ul style="list-style-type: none">• Hiring• Performance management• Recognition• Accountability	<p>Deliverables</p> <ul style="list-style-type: none">• Service Values Guide <p>Behavioral Standards Framework</p>
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Phase 4: HR Systems Integration

Target Dates: Month 7–10

November 2026–January 2027

<p>Activities</p> <ul style="list-style-type: none">✓ Employee handbook review/update✓ Performance evaluation redesign✓ Interview guide development✓ Onboarding/offboarding review	<p>Deliverables</p> <ul style="list-style-type: none">• Updated handbook recommendations• Performance evaluation toolkit• Interview guide templates
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Phase 5: Sustainability & Succession Planning

Target Dates: Month 10–12

February–April 2027

Activities

- ✓ Succession planning discussions
- ✓ Transition and sustainability planning

- ✓ Leadership pipeline identification

Deliverables

- Succession Planning Framework
- Year-End Recommendations Report

Meeting Cadence

Bi-Weekly (first 90 days)	Monthly	Quarterly
30–45 minute implementation meetings <ul style="list-style-type: none">• Project status• Obstacles• Information requests• Next actions	Leadership Advisory Sessions <ul style="list-style-type: none">• Progress review• Strategy discussions• Emerging needs• Coaching support	Executive Progress Review <ul style="list-style-type: none">• Outcomes achieved• Metrics• Adjustments Priorities for next phase

Year 1 Success Measures

Compensation & HR

- ✓ Compensation study completed within 90 days
- ✓ Pay structure implemented
- ✓ Compensation policy developed
- ✓ Updated evaluation process completed

Leadership & Culture

- ✓ Leadership sessions delivered monthly
- ✓ Service values developed/refined
- ✓ Leadership tools implemented
- ✓ Succession planning initiated

Organizational Outcomes

- ✓ Increased compensation clarity and consistency
- ✓ Reduced organizational risk
- ✓ Improved retention and hiring effectiveness
- ✓ Stronger leadership accountability and alignment

Implementation Theme:

"Stabilize → Structure → Develop → Sustain"