
MERCEDES CITY COMMISSION
REGULAR MEETING
JULY 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. Presentation by Montalvo (Worker's Comp Insurance) regarding dividends check
7. **Consent Agenda**
 - a. Approval of Minutes for Meeting(s) held June 16, 2026
 - b. Second and Final Reading of Ordinance 2026-15 Establishing the Capital Improvements Advisory Committee
8. **Management Items:** Present, discuss, consider and possibly take action regarding:
 - a. Consideration and Possible Action on Memorandum of Understanding with South Texas ISD to designate a Drop-off and Pick-up location at HEB park
 - b. Public Hearing regarding Rezone Request for Lot 4 & Lot 5 Block 104 Campacuas Addn 2 Irrg Trs
9. **Ordinances/Resolutions**
 - a. Consideration and Action on First Reading of Ordinance 2026-16 to Rezone Lot 4 & Lot 5 Block 104 Campacuas Addn 2 Irrg Trs
 - b. Consideration and Possible Action on Resolution 2026-33 for Texas Parks and Wildlife Local Parks Grant
10. **Bids/Contracts**
 - a. Discussion and Possible Action to select or reject a bid for the 2018 GLO South Mercedes Lateral Project and approve the contract
 - b. Discussion and Possible Action to enter into a Memorandum of Understanding or Agreement with Hidalgo County Drainage District #1 for the 2018 GLO South Mercedes Lateral Project
11. **Executive Session: Chapter 551, Texas Government Code, Section 551.071 (Consultation with Attorney), Section 551.072 (Deliberation regarding Real Property), Section 551.074 (Personnel)**

Matters) and Section 551.087 (Economic Development)

- 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. Consultation with legal counsel regarding participation in the National PFAS Phase 2 Settlement Program, review of eligibility status, authorization to collect and submit required system information, and preservation of all rights available under the court-approved PFAS settlements before July 31, 2026 deadline - Section 551.071

12. 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. Discussion and possible action regarding approval of legal services agreement to assist City to participate in the National PFAS Phase 2 Settlement Program, review of eligibility status, authorization to collect and submit required system information, and preservation of all rights available under the court-approved PFAS settlements before the July 31, 2026 deadline

13. Adjournment

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a Regular Meeting on Tuesday, July 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 1ST DAY OF JULY, 2026.

ATTEST:



Joselynn Castillo, City Secretary
Time of Posting: 6:00 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.

TEXAS MUTUAL INSURANCE COMPANY
PO BOX 12029
AUSTIN, TX 78711-2029
Remittance



**N0001731



CITY OF MERCEDES
400 S Ohio Ave
Mercedes, TX 78570-3120

Special Instructions:
Congratulations on receiving a general dividend! Visit texasmutual.com/aboutmydividend to learn more.

03V31750-001731-0001-0001

FORM# 9300

THIS CHECK HAS A COLORED BACKGROUND AND CONTAINS MULTIPLE SECURITY FEATURES - SEE BACK FOR DETAILS



88-130 / 1119 TX

Check Nbr
01341929

Check Date: 6/24/2026

THIRTY-THREE THOUSAND SIXTY-EIGHT DOLLARS AND 11/100 CENTS*****

****\$33068.11**** USD

PAY TO THE ORDER OF

CITY OF MERCEDES
400 S Ohio Ave
Mercedes, TX 78570-3120

Valid until: 12/21/2026

Memo: 2026

PAYABLE AT BANK OF AMERICA AUSTIN, TEXAS 2200 ALDRICH ST



Jessette Ward
Randy Johnson

**MERCEDES CITY COMMISSION
REGULAR MEETING
JUNE 16, 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
Commissioner Rolando Garcia

MEMBERS ABSENT:

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

OTHERS PRESENT:

1. Call Meeting to Order

Mayor Montoya welcomed everyone and called the meeting to order at 6:30 P.M.

2. Establish Quorum

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

3. Invocation

Commissioner Martinez said the invocation.

4. Pledge of Allegiance

Commissioner A. Garcia led in the pledge of allegiance.

Commissioner Martinez motioned to move up item #6. Commissioner A. Garcia seconded. Upon a called vote, the motion passed unanimously. The Commission proceeded to move to item 6 followed by item 5 Open Forum.

5. Open Forum

Mr. David Garza addressed the commission regarding item 8 on the agenda. The proposed street naming agenda item, expressing support for recognizing individuals but suggesting that, since the individual being honored already has a library and statue dedicated in his name, the Commission should instead consider naming the street after a Mercedes veteran

who lost their life in military service. He stated that this perspective was shared by several members of the local veteran community and mentioned the names of three fallen veterans as possible honorees. He emphasized that his comments were intended to honor all veterans while recognizing the contributions of the individual currently being considered.

6. Presentation

a. Proclamation for MISD Student Athletes

Mayor Montoya called forward **Lexie Pogue, Matthew Perez, and Isabella Parker** to receive a special proclamation from the Commission. Mayor Montoya shared several words of encouragement with the recipients, highlighting their outstanding character. The Mayor emphasized that they represent the next generation of leaders and serve as exceptional examples to the younger generation within the community. Following his remarks, Mayor Montoya formally read the proclamation into the record, detailing the specific achievements and contributions being recognized. On behalf of the recipients, **Ms. Isabella Parker** addressed the room, expressing her sincere gratitude to the Mayor and the Commission for their continuous support.

7. Consent Agenda

a. Approval of Minutes for Meeting(s) held May, 28, 2026 and June 2, 2026

Commissioner Martinez made a motion to approve the items under the consent agenda. Commissioner R. Garcia seconded. Upon a called vote, the motion passed unanimously.

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

a. Discussion and Possible Action related to naming of street in honor of Dr. Hector P. Garcia

Mr. Skyler Howell addressed the Commission regarding a request to rename a street in honor of Dr. Hector P. Garcia. A committee previously formed to gather community input conducted a survey, which revealed that **70% of respondents** voted in favor of renaming Ohio Ave. Mr. Howell highlighted that Dr. Garcia's impact extends far beyond his military service; he was the founder of the American GI Forum and the first Hispanic recipient of the Presidential Medal of Freedom. His primary legacy rests on his monumental contributions to civil rights.

In response to inquiries, Mr. Howell noted that choosing a **ceremonial street designation** rather than a full renaming would prevent residents from facing the administrative burden of changing their legal addresses. The committee ultimately recommended a recognition sign to designate a specific section of the road. Mr. Howell suggested that this designation could set a positive precedent for honoring other local war heroes in the future. Mayor Pro-Tem Saldana clarified that this specific initiative goes beyond general veteran recognition, focusing instead on a figure of national, presidential-level significance whose greatest achievement was civil rights advocacy. It was noted that, per a recommendation by Mr. David Garza, the City could proactively reach out to developers of new residential subdivisions to name future streets after local veterans. Ms. Garcia provided the Commission with a brief historical overview of Dr. Hector P. Garcia's accomplishments.

Commissioner Martinez motioned to proceed with a ceremonial name change on a designated section of Ohio Ave. and to direct the City Manager to oversee the implementation. **Mayor Pro-Tem Saldana seconded** the motion. Upon a called vote, the motion **passed unanimously**.

- b. Consideration and possible action to appoint members to the Charter Review Commission pursuant to City Charter Section 9.09

Commissioner Martinez motioned to approve Amenda Vela-Martinez, Danny Salinas, Roy De Leon, Joel Quintanilla, Fernando Flores, April Castaneda, Laura Lopez, Joe Flores, Jaime Ortiz, Mario Dominguez, Edna Martinez, Barbara Hinojosa. Commissioner R. Garcia seconded. Upon a called vote, the motion passed unanimously.

9. Ordinances/Resolutions

- a. First Reading of Ordinance 2026-15 Establishing the Capital Improvements Advisory Committee

Ms. Denisse Hernandez addressed the Commission about the ordinance to establish a committee to establish impact fees. Mayor Pro-Tem Saldana made a motion to approve and forego the reading. Commissioner A. Garcia seconded. At a question, Ms. Hernandez stated that they will bring member applications to the next agenda. Upon a called vote, the motion passed unanimously.

- b. Consideration and approval of an Ordinance authorizing the issuance of "City of Mercedes, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2026C (Drinking Water State Revolving Fund)"; providing for the payment of said certificates by the levy of an ad valorem tax upon all taxable property within the city and further securing said certificates by a subordinate and inferior lien on and pledge of the net revenues of the system; and other matters incident and related thereto (Ordinance 2026-16)

Mr. Bobby Villarreal addressed the Commission regarding the loan for \$19 Mil and the city has a forgivable rate of 20%. Mr. Matt Lujan stated on slide 6 that the 4th and 5th line from the bottom is clean water. Calculated coverage ratio 1.25 coverage. The certificates of obligation. Principal forgiveness is the net revenues of the utility system. The water rate study was for three years to help cover the certificates of obligation. If approved tonight, the transaction will close on July 21, 2026. Commissioner Martinez motioned to approve and forego the reading. Commissioner A. Garcia seconded. Upon a called vote, the motion passed unanimously.

- c. Consideration and approval of a Resolution 2026-32 approving the Principal Forgiveness Agreement Drinking Water State Revolving Fund in the amount of \$7,234,647 and an Escrow Agreement relating thereto; and other matters in connection therewith (Resolution 2026-22)

Commissioner Martinez motioned to approve the resolution and forego the reading. Commissioner R. Garcia seconded. Upon a called vote, the motion passed unanimously.

- d. Consideration and approval of Resolution 2026-33 by the City Commission of the City of Mercedes, Texas rescheduling the sale from June 16, 2026, to July 7, 2026, of

obligations to be issued and designated as "City of Mercedes, Texas Combination Tax and Subordinate Lien Revenue Certificates of Obligation, Series 2026C"; and resolving other matters in connection therewith

No action.

10. Bids/Contracts

- a. Discussion and Possible Action on the Cooperation Agreement between the County of Hidalgo and City of Mercedes for the Urban County Program Fiscal Years 2027-2029
Commissioner Martinez motioned to approve the agreement. Commissioner Armando Garcia seconded. Upon a called vote, the motion passed unanimously.

11. Monthly Departmental Reports

- a. City Sec/HR, Planning, IT, Library, Recreation Center, Fire, Public Works

Commissioner Martinez and **Commissioner A. Garcia** commended and thanked city staff for their hard work and rapid mobilization during the recent heavy rain event. **Mr. Perez** extended his gratitude to the volunteers who assisted at the community shelter. It was noted that the roof at the Recreation Center held up successfully during the storm.

Mayor Pro-Tem Saldana reported that the city's drainage projects performed effectively. Water flowed continuously, ditches did not overflow, and the retention ponds and drainage improvement projects functioned as designed. **Commissioner R. Garcia** noted that a local resident posted drone photography online confirming that areas previously prone to severe flooding remained clear of water during this event. **Mayor Montoya** stated that the city received **5 to 6 inches of rain** during this event. While acknowledging that significant improvements have been made, he reminded the Commission that the system is not yet perfect.

Mayor Montoya addressed the presence of false information posted by residents on social media regarding the storm. He urged citizens to rely only on trusted, verifiable sources. Residents are strongly encouraged to monitor the official **City of Mercedes** page for accurate updates rather than unofficial citizen accounts. Mayor Montoya urged all citizens to sign up for the City's emergency alert system. Furthermore, he recommended looking into a resolution that would automatically register residents for the alert system with an option to opt out, pending legal review.

Mayor Pro-Tem Saldana requested an update regarding the Tranquil Estates and Palladium developments from Ms. Hernandez. **Ms. Hernandez** clarified that Palladium Energy has been approved, but developers have not yet submitted their final plat.

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 Martinez motioned to go into executive session. Commissioner A. Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting was called into

executive session at 7:39 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. Discussion regarding Project T2 - Section 551.087
- d. Consultation with Attorney regarding contracts for the Municipal Court Judge, City Prosecutor, City Manager, City Attorney, and Border Affairs - Section 551.071

13. Open Session

Mayor Montoya reconvened the meeting at 11:59 P.M.

- a. Possible Action pertaining to executive session item A
No Action.
- b. Possible Action pertaining to executive session item B
No Action.
- c. Possible Action pertaining to executive session item C
No Action.
- d. Possible Action pertaining to executive session item D
No Action.

14. Adjournment

Commissioner Martinez motioned to adjourn. Commissioner A. Garcia seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 12:00 A.M.

[MIN_SIGNATURES]

ORDINANCE NO. 2026-15

AN ORDINANCE OF THE CITY OF MERCEDES, TEXAS, ESTABLISHING A CAPITAL IMPROVEMENTS ADVISORY COMMITTEE (CIAC); DEFINING ITS PURPOSE, AUTHORITY, MEMBERSHIP, AND PROCEDURAL RULES PURSUANT TO CHAPTER 395 OF THE TEXAS LOCAL GOVERNMENT CODE CONCERNING IMPACT FEES; AND DECLARING PROVISIONS TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE.

WHEREAS, the City of Mercedes is experiencing ongoing growth and development, which necessitates the careful planning, funding, and construction of new public infrastructure and capital improvements; and

WHEREAS, the City Commission of the City of Mercedes is authorized by the Constitution and laws of the State of Texas, including Chapters 395, 42, and 51 through 54 of the Texas Local Government Code, as well as the City Charter, to adopt and administer impact fees to assist in funding these necessary capital improvements; and

WHEREAS, Chapter 395 of the Texas Local Government Code mandates that a political subdivision considering or imposing impact fees must appoint a Capital Improvements Advisory Committee (CIAC) to advise the governing body regarding land use assumptions, capital improvement plans, and the imposition of such fees; and

WHEREAS, the City Commission desires to formally establish this Committee, define its membership criteria, and establish procedural rules to ensure its operations strictly comply with state law; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MERCEDES, COUNTY OF HIDALGO, STATE OF TEXAS, THAT:

SECTION I. PURPOSE AND AUTHORITY.

- (a) The purpose of this chapter is to comply with Chapter 395 of the Texas Local Government Code regarding the adoption and administration of impact fees.
- (b) This chapter is adopted pursuant to the authority granted by the Constitution and laws of the State of Texas, including Chapters 395, 42, and 51 through 54 of the Texas Local Government Code and the City Charter of the City of Mercedes.

SECTION II. CREATED.

- (a) The CIAC is composed of not less than five members, who shall be appointed by a majority vote of the city commission for indefinite terms, who may be replaced at any time by a majority vote of the city commission, and who shall serve without compensation.
- (b) If the impact fees is to be applied in the extraterritorial jurisdiction, the membership must include a representative from that area.
- (c) Not less than 50 percent of the membership of the CIAC must be representatives of the real estate, development, or building industries who are not employees or officials of a political subdivision or governmental entity (other than being a member of this CIAC).
- (d) All other members of the CIAC must reside inside Mercedes city limits.

- (e) One member of the CIAC shall be selected by the CIAC membership to serve as the CIAC Chairman.
- (f) The city manager and planning director have ex officio status. Neither the city manager nor the planning director may vote, make motions, or be counted as one of the seven members. However, in all other respects they have the same rights as the seven members.
- (g) The city shall make available to the CIAC any professional reports with respect to developing and implementing the capital improvements plan.

SECTION III. PROCEDURAL RULES.

- (a) This section constitutes the procedural rules required under V.T.C.A., Local Government Code § 395.058(e). The CIAC shall follow these rules in carrying out its duties.
- (b) The CIAC serves in an advisory capacity and shall have only the authority granted to it by those provisions of state law or city ordinance which mention the CIAC by name.
- (c) The CIAC shall not hold any meeting during any period when it is out of compliance with section 314-20(c) or (d).
- (d) A quorum shall consist of four members. Voting by proxy is not allowed. Each member attending a CIAC meeting in person or by two-way speakerphone shall be eligible to vote in the absence of a conflict of interest.
- (e) The CIAC and each of its members shall be subject to the same conflict-of-interest, nepotism, public-meetings, public-records, and other due-process standards as the city commission.
- (f) The CIAC shall select from its membership a secretary and at least one vice-chair. A CIAC meeting may be called by any CIAC officer or by the city manager.
- (g) Whenever the CIAC submits a report, advice, or comments to the city commission, that submission may take the form of one majority report, seven minority reports, or any combination or variant thereof. The preferred format is one majority report.
- (h) In September and March of each year, the CIAC shall submit a report under V.T.C.A., Local Government Code § 395.058(c)(4).
- (i) No expenditure shall be made by the CIAC without the prior written authorization from the city manager.
- (j) After holding a public hearing advertised at least 72 hours in advance in a newspaper of general circulation, a supermajority vote of the CIAC may adopt and enforce the CIAC rules as previously promulgated by ordinance of the city commission, for the purpose of more efficiently carrying out its duties.

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 16TH DAY OF JUNE IN THE YEAR OF OUR LORD, 2026.

1st Reading: June 16, 2026

2nd Reading: July 7, 2026

CITY OF MERCEDES:

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo
City Secretary

APPROVED AS TO FORM:

Martie Garcia Vela
City Attorney

DATE: July 7, 2026
FROM: Armando Villela, Parks Director
ITEM: **Discussion and possible action to Consideration and Possible Action on Memorandum of Understanding with South Texas ISD to designate a Drop-off and Pick-up location at HEB park**

BACKGROUND INFORMATION: South Texas ISD is requesting a MOU to use the Civic Center at HEB Park as a designated Pickup/Drop-off location for its Mercedes students.

BOARD REVIEW/CITIZEN FEEDBACK: n/a

ALTERNATIVES/OPTIONS: no

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: Yes

ATTACHMENTS:

1. Mercedes Civic Center (1) (1)

STAFF RECOMMENDATION: I recommend the approval of MOU between South Texas ISD and City of Mercedes to use the Civic Center as a Pickup/Drop-off location for its Mercedes students.

Memorandum of Understanding (MOU)

This memorandum of understanding (herein referred to as “MOU”) made on this the 1st day of September 2026 will serve as an agreement between City of Mercedes Parks and the South Texas Independent School District, herein referred to as “South Texas ISD” regarding South Texas ISD’s use of the parking lot facilities located at

1. Background

This MOU establishes the terms and conditions under which South Texas ISD may use the parking lot facilities located on City of Mercedes Parks Attachment A shall describe the dates and times the facility is to be utilized by South Texas ISD

2. Purpose

City of Mercedes Parks Agrees to allow use of said facility to South Texas ISD for the purpose of providing transportation for South Texas ISD students and using the parking lot facilities as a stop.

3. Scope

This scope of this agreement refers to facility use as described in Section 1: Background. If applicable, the scope of agreements for other cooperative arrangements, such as those regarding fares, is beyond this agreement.

This agreement shall be in effect from September 01, 2026 to August 31, 2027. Both parties, if so desired, may review and execute an additional annual MOU describing the terms and conditions. If both parties are unable to execute an agreement, then South Texas ISD must cease using facilities until an agreement can be executed.

4. Duties

(a) South Texas ISD may use said facility as a boarding and de-boarding location for its transit system. Vehicles may park in the designed areas, as described in Attachment B in order to board and alight passengers. South Texas vehicles will not remain at said location overnight.

(b) South Texas ISD agrees that it will assume all responsibility of their vehicles and shall not hold City of Mercedes Parks, its employee, officials or its affiliates liable for any and all damages.

(c) Any act related to the operation and maintenance of South Texas ISD equipment and supplies,

such as movement of vehicles, must be performed by South Texas ISD personnel.

(d) South Texas ISD, its employees, agents' staff and any person acting on behalf of South Texas ISD shall not engage in any reckless, negligent, unsafe, or otherwise illegal or unethical behavior while on City of Mercedes Parks.

(e) South Texas ISD, its employees, agents, staff and any person acting on its behalf shall not modify City of Mercedes Parks Facilities in any way. Facilities will be left in exactly the same condition in which they are encountered.

(f) South Texas ISD's use of the parking lot facilities must not in any way interfere with the normal operations of City of Mercedes Parks.

5. Contact Person

For the purposes of this agreement, South Texas ISD will coordinate with:

Name: Armando Villela, Director of Parks City of Mercedes

Email: avillela@cityofmercedes.com

Phone: 956-565-3114 ext. 709

6. Notice

South Texas ISD shall provide notice of its schedules and times of pick-up/drop-off of students, names and photos of drivers and other individuals who will have access to the facility. Any change, bussing schedule, or any other important changes must be given at least two (2) weeks in advance. South Texas ISD drivers and other personnel subject to this agreement must possess and maintain appropriate licensure from the State of Texas.

7. Liability

City of Mercedes Parks Assumes no liability for any lost, damaged, or stolen property. South Texas ISD assumes all risk in using the parking lot facilities and agrees to be responsible for any damages caused by the negligence of its personnel or negligent use of its equipment to the extent allowed by law. Nothing in this agreement shall be interpreted or construed to waive sovereign or governmental immunity afforded to South Texas ISD pursuant Texas law.

8. Termination

This agreement may be terminated at any time in writing by mutual agreement of the parties or terminated by either party with Ninety (90) days' notice, in writing, to the other party.

2

9. Breach of Obligation

Failure to abide by any provision of this agreement shall constitute a breach. Any party claiming a breach will have the right to terminate the agreement immediately in writing.

10. Authority

We the undersigned hereby attest we have authority of behalf of: Central Christian Church and the South Texas Independent School District, respectively, to execute and abide by this agreement.

EXECUTED, in duplicate, on this day of , in County, Texas.

Location:

City of Mercedes Civic Center
502 East Second Street
Mercedes TX 78570

Name, Title

Signature Date

South Texas Independent School District

By:

Sandra Garza Ochoa, Ph.D.
Superintendent of Schools

**ATTACHMENT A:
2026-2027 Schedule**

Location: City of Mercedes Civic Center

Campus	Departure Time
Edinburg	7:00 AM
Mercedes	7:30 AM
Olmito	6:45 AM
San Benito	6:45 AM

Campus	Arrival Time
Edinburg	5:00 PM
Mercedes	4:30 PM
Olmito	5:30 PM
San Benito	5:30 PM



Parent Parkin

DATE: July 7, 2026
FROM: Denisse Hernandez, Planning Director
ITEM: **Discussion and possible action to Consideration and Action on First Reading of Ordinance 2026-16 to Rezone Lot 4 & Lot 5 Block 104 Campacuas Addn 2 Irrg Trs**

BACKGROUND INFORMATION: Subject:
Rezoning Request for 1990 W. Business 83 (From "A" Business to "B" Business)

Background & Current Use:
The subject property, located at 1990 W. Business 83, is currently zoned "A" Business and operates as a hotel with an integrated bar.

Proposed Use:
The applicant is requesting to rezone the property from "A" Business to "B" Business to allow for the future development of a gas station on the site.

Comprehensive Plan / Land Use Alignment:
The proposed rezoning is consistent with the City's Future Land Use Map. The property is currently designated as "Commercial/Industrial," which is defined as a mixed-use zone accommodating land uses encouraged in both commercial and industrial areas. Therefore, the shift to "B" Business does not conflict with the City's comprehensive planning goals.

Next Steps / Staff Notes:
This agenda item is strictly for the rezoning request. If the zoning change is approved, the applicant will still be required to successfully complete the minor plat process and all standard building permitting processes prior to any construction.

BOARD REVIEW/CITIZEN FEEDBACK: On June 1, 2026, the Planning and Zoning Commission reviewed this item and voted to approve the request.

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 BEING 0.043AC LOT 4 & W3.53AC LOT 5, BLOCK 104,
CAMPACUAS ADDN 2 IRR TRS (3.57 ACRES)
2. SITE MAP
3. SITE

STAFF RECOMMENDATION: City Staff recommends approval of the rezone request, subject to all city comments.

ORDINANCE NO. 2026-16

AN ORDINANCE CHANGING THE CLASSIFICATION FOR ZONING PURPOSES OF THE FOLLOWING TRACT OF LAND: BEING 0.043AC LOT 4 & W3.53AC LOT 5, BLOCK 104, CAMPACUAS ADDN 2 IRR TRS (3.57 ACRES), FROM CLASS “A” BUSINESS DISTRICT TO CLASS “B” BUSINESS DISTRICT; PROVIDING FOR A SAVINGS AND REPEAL CLAUSE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on the 1st day of June, 2026 a public hearing was held for the purpose of hearing any objections as to why: **BEING 0.043AC LOT 4 & W3.53AC LOT 5, BLOCK 104, CAMPACUAS ADDN 2 IRR TRS (3.57 ACRES)**, Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “A” Business District to Class “B” Business District.

WHEREAS, the City Commission at its Regular Meeting of June 16th, 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: **BEING 0.043AC LOT 4 & W3.53AC LOT 5, BLOCK 104, CAMPACUAS ADDN 2 IRR TRS (3.57 ACRES)** Mercedes, Hidalgo County, Texas, should be rezoned and classified as follows: from a Class “A” Business District to Class “B” Business 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 7TH DAY OF JULY, 2026.

PASSED, APPROVED AND ADOPTED ON SECOND READING THIS THE 21ST DAY OF JULY, 2026.

CITY OF MERCEDES

Oscar D. Montoya, Sr., Mayor

ATTEST:

APPROVED AS TO FORM:

Joselynn Castillo
City Secretary

Martie Garcia Vela
City Attorney



VICINITY MAP
NOT TO SCALE



Local Park Grant Program Resolution Authorizing Application

A resolution of the City of Mercedes as hereinafter referred to as “Applicant,” designating certain officials as being responsible for, acting for, and on behalf of the Applicant in dealing with the Texas Parks & Wildlife Department, hereinafter referred to as “Department,” for the purpose of participating in the Local Park Grant Program, hereinafter referred to as the “Program”; certifying that the Applicant is eligible to receive program assistance; certifying that the Applicant matching share is readily available; and dedicating the proposed site for permanent (or for the term of the lease for leased property) public park and recreational uses.

WHEREAS, the Applicant is fully eligible to receive assistance under the Program; and

WHEREAS, the Applicant is desirous of authorizing an official to represent and act for the Applicant in dealing with the Department concerning the Program;

BE IT RESOLVED BY THE APPLICANT:

SECTION 1: That the Applicant hereby certifies that they are eligible to receive assistance under the Program, and that notice of the application has been posted according to local public hearing requirements.

SECTION 2: That the Applicant hereby certifies that the matching share for this application is readily available at this time.

SECTION 3: That the Applicant hereby authorizes and directs the Parks Director to act for the Applicant in dealing with the Department for the purposes of the Program, and that Armando Villela is hereby officially designated as the representative in this regard.

SECTION 4: The Applicant hereby specifically authorizes the official to make application to the Department concerning the site to be known as HEB Park Improvements in the City of Mercedes of Hidalgo County for use as a park site and is hereby dedicated (or will be dedicated upon completion of the proposed acquisition) for public park and recreation purposes in perpetuity (or for the lease term, if legal control is through a lease). Projects with federal monies may have differing requirements.

Introduced, read and passed by an affirmative vote of the “Applicant” on this 7th day of July, 2026.

Signature of Local Government Official

Oscar D, Montoya Sr., Mayor
Typed Name and Title

ATTEST:

Signature

Joselynn Castillo, City Secretary
Typed Name and Title

**City of Mercedes
CONSTRUCTION CONTRACT**

This Agreement entered into this 16th Day of June, 2026 by and between the City of Mercedes acting by and through the City of Mercedes City Commission, hereinafter called the "OWNER", acting herein through its City Manager and (name of contractor) (a corporation) (a partnership) (an individual) of (city they are based in), State of Texas, hereinafter called "CONTRACTOR".

WITNESSETH

That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

PROJECT NAME: **2018 South Texas Floods, South Mercedes Lateral Improvements Project – Phase 3**

--
PROJECT No.: **6557-50-0309-5000-0000-UCP-JH-01**

PROJECT DESCRIPTION: **Flood Drainage Improvements - Infrastructure**

hereinafter called the project, for the sum of (\$X,XXX,XXX.XX) – and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the Contract; and at his (its or their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Bid, the General Conditions, Supplemental General Conditions and Special Conditions of the contract, the plans, which include all maps, plats, blue prints, and other drawings and printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by Hidalgo County Drainage District No. 1 and as enumerated in Paragraph 1 of the Supplemental General Conditions, all of which are made a part hereof and collectively evidence and constitute the contract.

The CONTRACTOR hereby agrees to commence work under this contract on or after a date to be specified in a written "Notice to Proceed" of the OWNER and to fully complete the project within (270) Two hundred seventy consecutive calendar days thereafter. The CONTRACTOR further agrees to pay, as liquidated damages, the sum of (\$500.00) Five hundred dollars and zero cents for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in the General Conditions of the contract, and to make payments on account thereof as provided in Paragraph 25, "Payments to Contractor", of the General Conditions.

