
**MERCEDES CITY COMMISSION
REGULAR MEETING
MARCH 4, 2025 – 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 by Mayor Pro-Tem Saldana**
- 4. Pledge of Allegiance by Commissioner Martinez**
- 5. Open Forum**
- 6. Presentation**
 - a. Introduction of MISD Superintendent Dr. Ben Clinton
 - b. Proclamation for Autism Acceptance Month
- 7. Management Items:** Present, discuss, consider and possibly take action regarding:
 - a. Approval of Request for Sponsorship for the Mercedes Autism Acceptance Fundraiser
 - b. Approval of Possible Sponsorship for the TML Region 12 Workshop
 - c. Approval of Certificate of Convenience & Necessity (CCN) Agreement for buyout and transfer of water CCN service area between the City of Mercedes, North Alamo Water Supply Corporation, and Buenavista Developers, LLC in reference to the development of Redstone Subdivision here in the City of Mercedes.
- 8. Consent Agenda**
 - a. Approval of Minutes for Meeting(s) held February 18, 2025
 - b. Approval of Second and Final Reading of Ordinance 2025-06 amending the zoning code to R-1 Single Family Residential District
 - c. Approval of Second and Final Reading of Ordinance 2025-07 amending the zoning code to R-2 Duplex-Fourplex Residential District
 - d. Approval of items for surplus to be placed in auction
 - e. Approval of Budget Amendment 2025-519-519
- 9. Ordinances/Resolutions**
 - a. Approval of Resolution 2025-07 in opposition to House Bill 1683

- b. Approval of Resolution 2025-08 regarding the State Crisis Intervention Grant
- c. Approval of Resolution 2025-09 regarding the Homeland Security Grant
- d. Approval of Resolution 2025-10 regarding the Lone Star Grant
- e. Approval of Resolution 2025-11 regarding the Stone Garden Grant
- f. Approval of Resolution 2025-12 regarding the Border Zone Fire Department Grant

10. Bids/Contracts

- a. Consider of approval of First Amendment to the City of Mercedes Operations Services Agreement
- b. Consideration of approval of CB3 Consultants, LLC lease to own multi-disc screw press

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

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

13. Adjournment

Notice is hereby given that the City Commissioners of the City of Mercedes, Texas will meet in a Regular Meeting on Tuesday, March 4, 2025 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 28TH DAY OF FEBRUARY, 2025.

ATTEST:


 Joselynn Castillo, City Secretary

Time of Posting: 5:00 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.

Office of the MAYOR



Proclamation

WHEREAS, autism is a complex developmental condition that affects individuals in unique ways, influencing social interaction, communication, and behavior; and

WHEREAS, according to the Centers for Disease Control and Prevention (CDC), autism spectrum disorder (ASD) affects approximately 1 in 36 children in the United States, highlighting the importance of early diagnosis, intervention, and support; and

WHEREAS, individuals with autism contribute greatly to our community through their talents, perspectives, and abilities, and it is vital to foster an inclusive and supportive environment that celebrates their strengths; and

WHEREAS, Autism Awareness Month, observed each April, seeks to increase understanding, promote acceptance, and inspire meaningful change that enhances the quality of life for individuals with autism and their families; and

WHEREAS, the **Mercedes High School Criminal Justice Club** will be hosting an **Autism Acceptance Fundraiser** on **Saturday, April 5, 2025, from 4:00 PM to 8:00 PM at HEB Park (520 E 2nd St, Mercedes, TX 78570)** to raise awareness, provide resources, and support programs that benefit individuals with autism; and

WHEREAS, this event will include **face painting, nail painting, games and prizes, crafting activities, food and drinks, an information booth, and music**, bringing together the community to show solidarity and support for autism acceptance; and

WHEREAS, the funds raised will go toward the **Special Education Program and the Criminal Justice Program** at Mercedes High School, furthering educational opportunities and resources for students;

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 April 2025 as Autism Awareness & Acceptance Month in the City of Mercedes and encourage all residents to participate in the Autism Acceptance Fundraiser on April 5, 2025, at HEB Park to show support for individuals with autism and their families.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Mercedes to be affixed this 4th day of March, 2025.

CITY OF MERCEDES

ATTEST:

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

**JOSELYNN CASTILLO,
CITY SECRETARY**

AUTISM ACCEPTANCE



FUNDRAISER



SATURDAY, APRIL 5TH, 2025

4:00 PM – 8:00 PM

HEB PARK – 520 E 2ND ST, MERCEDES, TX 78570

JOIN AND MAKE A DIFFERENCE WITH US

FACE PAINTING

NAIL PAINTING

GAMES AND PRIZES

CRAFTING ACTIVITIES

FOOD AND DRINKS

INFORMATION BOOTH

MUSIC



MERCEDES HIGH SCHOOL CRIMINAL JUSTICE CLUB

CONTACT: (956-294-9309)

MERCEDESCJC@GMAIL.COM



FUNDS WILL GO TOWARDS THE SPECIAL ED PROGRAM AND THE CRIMINAL JUSTICE PROGRAM



February 24, 2025

Dear Sponsor:

Texas Municipal League Region 12 will be hosting our 14th Annual Training Workshop for City Elected Officials and staff from Hidalgo, Cameron, Willacy, Starr and Brooks Counties on May 15th and May 16, 2025, at South Padre Island, Texas. This workshop encompasses topics on Leadership, Public Finance, Media Relations, Ethics and numerous others.

Moreover, Region 12 Officers, including myself, are respectfully seeking sponsors for this event. Sponsorships are available from Platinum to Silver levels.

* Name on Screen * Name on TML Region 12 Workshop Website * Name on Program * Name on Name Badge * 3 Workshop Registrations * 3 Guest Dinner Registrations PLATINUM \$3,500	* Name on Program * 2 Workshop Registrations * 2 Guest Dinner Registrations GOLD \$2,500	* Name on Program * 1 Workshop Registration SILVER \$1,500
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Thank you for your dedication to public service and continued support of our Region 12 which is comprised mostly of elected officials from the Rio Grande Valley.

Please visit www.mcallen.net/tmlworkshop to do your sponsorship. Call the McAllen City Secretary at (956) 681-1020 with any questions. We look forward to hearing from you.

Best regards,

Victor "Seby" Haddad, TML Region 12 President
McAllen City Commissioner

DATE: March 4, 2025
FROM: Adrian Perez, Planning Director
ITEM: **Discussion and possible action to Approval of Certificate of Convenience & Necessity (CCN) Agreement for buyout and transfer of water CCN service area between the City of Mercedes, North Alamo Water Supply Corporation, and Buenavista Developers, LLC in reference to the development of Redstone Subdivision here in the City of Mercedes.**

BACKGROUND INFORMATION: This Agreement for Buyout and Transfer of Water CCN Service Area, hereinafter referred to as “Buyout Agreement” is made by and between the City of Mercedes, Texas (hereinafter “City”), North Alamo Water Supply Corporation, a non-profit corporation of the State of Texas (hereinafter “NAWSC”); and Buenavista Developers, LLC, a Texas limited liability company (hereinafter “Developer”), collectively referred to hereinafter the “Parties”, and further identified as follows:

- 1) Authorized Representative of City of Mercedes, Texas
Oscar D. Montoya, Sr., Mayor
City of Mercedes, Texas
400 S. Ohio Ave.
P.O. Box 837
Mercedes, Texas 78570
- 2) Authorized Representatives of North Alamo Water Supply Corporation
Steve D. Krenek, President
North Alamo Water Supply Corporation
420 S. Doolittle Road
Edinburg, Hidalgo County, Texas 78542
- 3) Authorized Representatives of Buenavista Developers, LLC:
Ricardo Arizmendi, Jr., Manager
Rubi Guajardo, Manager
5901 N. Dodger St.
Pharr, Texas 78577

WHEREAS, City currently holds Certificate of Convenience and Necessity (“CCN”) No. 12811 to provide water service in an area located within Hidalgo County, Texas, under the rules and regulations of the Texas Commission on Environmental Quality (“TCEQ”) and the Public Utility Commission of Texas (“PUC”) (the “City Water CCN Service Area”); and

WHEREAS, Developer is currently developing of the following described property:

A 5.556 acre tract of land out of Lot 10, Block One Hundred Fourteen (114), Campacuas Addition, Hidalgo County, Texas, as shown by map or plat thereof recorded in Volume 1, Page 2, Map Records of Hidalgo County, Texas; as conveyed to Lucksinger Logistics, LLC, by virtue of General Warranty Deed recorded in Document Number 3410326, Official Records, Hidalgo County, Texas (“ORHCT”), said 5.556 acres being more particularly described by metes and bounds in Exhibit “A” hereto (the “Property”), which shall be known as Redstone Subdivision.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: (Total Costs)

Proposed Expenditure/(Revenue):

Account Number(s):

\$

Finance Review by: N/A

LEGAL REVIEW: No

ATTACHMENTS:

1. Agreement for Buyout & Transfer of Water CNN Service Area

STAFF RECOMMENDATION: Approval

**AGREEMENT FOR BUYOUT AND TRANSFER OF
WATER CCN SERVICE AREA**

PARTIES

This **Agreement for Buyout and Transfer of Water CCN Service Area**, hereinafter referred to as **"Buyout Agreement"** is made by and between the **City of Mercedes, Texas** (hereinafter **"City"**), **North Alamo Water Supply Corporation**, a non-profit corporation of the State of Texas (hereinafter **"NAWSC"**); and **Buenavista Developers, LLC**, a Texas limited liability company (hereinafter **"Developer"**), collectively referred to hereinafter the **"Parties"**, and further identified as follows:

- 1) Authorized Representative of City of Mercedes, Texas

Oscar D. Montoya, Sr., Mayor
City of Mercedes, Texas
400 S. Ohio Ave.
P.O. Box 837
Mercedes, Texas 78570

- 2) Authorized Representatives of North Alamo Water Supply Corporation

Steve D. Krenek, President
North Alamo Water Supply Corporation
420 S. Doolittle Road
Edinburg, Hidalgo County, Texas 78542

- 3) Authorized Representatives of Buenavista Developers, LLC:

Ricardo Arizmendi, Jr., Manager
Rubi Guajardo, Manager
5901 N. Dodger St.
Pharr, Texas 78577

RECITALS

WHEREAS, City currently holds Certificate of Convenience and Necessity ("**CCN**") No. 12811 to provide water service in an area located within Hidalgo County, Texas, under the rules and regulations of the Texas Commission on Environmental Quality ("**TCEQ**") and the Public Utility Commission of Texas ("**PUC**") (the **"City Water CCN Service Area"**); and

WHEREAS, Developer is currently developing of the following described property:

A 5.556 acre tract of land out of Lot 10, Block One Hundred Fourteen (114), Campacuas Addition, Hidalgo County, Texas, as shown by map or plat thereof recorded in Volume 1, Page 2, Map Records of Hidalgo County, Texas; as conveyed to Lucksinger Logistics, LLC, by virtue of General Warranty Deed recorded in Document Number 3410326, Official Records, Hidalgo County, Texas ("**ORHCT**"), said 5.556 acres being more particularly described by metes and bounds in **Exhibit "A"** hereto (the "**Property**"), which shall be known as **Redstone Subdivision**,

which lies within the extraterritorial jurisdiction ("ETJ") of the City and outside of the current City Water CCN Service Area; and

WHEREAS, North Alamo Water Supply Corporation holds the water CCN No. 10553 over the area in which the Property is located; and

WHEREAS, City does not currently have infrastructure in place to provide water service to the Property; and

WHEREAS, Developer seeks the provision of water service for the Property; and

WHEREAS, the Parties intend and desire that the City be the retail provider of the water service to the Property; and

WHEREAS, the City has determined that development of the Property within the City's ETJ, as provided herein, is beneficial to the City; and

WHEREAS, the Parties agree that City shall seek to amend the City Water CCN Service Area to include the Property which is hereinafter specifically identified and referred to as the "**City Amendment Area**" as shown on the map attached hereto as **Exhibit "B;"** and

WHEREAS, to accommodate Developer's request that City be the provider of water service for the Property, City agrees to pursue an amendment to the City Water CCN Service Area to include the City Amendment Area; and

WHEREAS, Developer agrees to pay all legal and administrative costs and fees incurred by City resulting from the City's pursuit of an amendment to the City Water CCN Service Area to include the City Amendment Area and consolidation of the City Amendment Area into the City Water CCN Service Area and the proceedings before the PUC.

WHEREAS, it is understood and agreed that no existing customers will be affected by this amendment of the City Water CCN Service Area; and

WHEREAS, the Parties have authority to enter into this Agreement pursuant to Section 212.172, Texas Local Government Code, and pursuant to the City's home rule charter.

THEREFORE, in consideration of the mutual promises of the parties, in reliance on the representations, warranties, covenants, and conditions contained in this Buyout Agreement, and for other good and valuable consideration the Parties agree as follows:

ARTICLE I

AMENDMENT OF WATER SERVICE AREA AND CUSTOMERS

1.01 The Parties agree that City will pursue the right to provide water service to customers within the City Amendment Area reflected in **Exhibit "B."**

1.02 Consideration for Amendment: For and in consideration of City's representations, warranties, covenants, and assignments, and Developer's payment of the buyout fee to NAWSC, as set forth herein, the receipt, sufficiency, and adequacy of which are hereby acknowledged by the Parties, City agrees to pursue the acquisition and incorporation of the City Amendment Area into its CCN water service area reflected in **Exhibit "C"** hereto.

1.03 Expenses/Responsibilities

(a) Attorney's Fees and Related Expenses – The actual and reasonable attorney's fees and expenses incurred related to this Buyout Agreement, and for obtaining releases of any security liens, including but not limited to any required forms, and further agreements which may be required to effectuate this Buyout Agreement, including but not limited to obtaining releases of any security liens against the City Amendment Area, shall be borne by Developer.

(b) The Parties agree to join and support the application to the PUC requesting approval of acquisition of the City Amendment Area by the City ("**Application**"), and City has designated Richard Fryer of Fryer & Hansen, P.L.L.C. ("**F&H**") as their agent to represent them before the PUC. Beginning not more than forty-five (45) days after the date the last party signs

this Buyout Agreement ("***Effective Date***"), F&H shall endeavor to file the required Application with the PUC. Upon PUC's final approval of the Application and before final closing of the amendment to the City Water CCN Service Area by addition of the City Amendment Area, all such remaining administrative costs and attorney's fees shall be paid by Developer within ten (10) days of presentation of such amounts.

(c) City and Developer agree to cooperate in the preparation and filing of the Application and to expeditiously pursue PUC approval of the Application and City's acquisition of the City Amendment Area.

(d) City and Developer agree to cooperate in the application process by providing all required mapping and information required to complete the Application.

(e) All administrative costs and all attorney fees relating thereto shall be paid fully and solely by Developer, as described in Section 1.03(a) above.

(f) Prior to the closing of the purchase of the City Amendment Area, NAWSC agrees to join and support the application with the PUC requesting approval of the transfer of the City Amendment Area from the area of NAWSC's Certificate of Convenience and Necessity to the area of City's Certificate of Convenience and Necessity. Final closing with respect to the purchase of the City Transfer Area shall be not more than forty-five (45) days after all the following requirements for closing have been completed:

- i. All utility installations to be done by City are completed and City has given written notice of said completion to NAWSC;
- ii. The Purchase Price is completed and delivered;
- iii. Approval by the PUC has been obtained; and
- iv. A Release of any Security Agreement in favor of TWDB, USDA-RD, and/or CoBank has been obtained by NAWSC, and a copy has been forwarded to City.

(g) City shall review and approve all subdivision utility layouts within the City Amendment Area.

ARTICLE II

NAWSC'S REPRESENTATIONS AND WARRANTIES

NAWSC hereby represents and warrants to City that the following facts and circumstances are true and correct:

Service Area

2.01 Other than lienholders, no other person or persons or entity has any claim, right, title, interest, or lien in, to, or on the City Amendment Area.

Customer Accounts

2.02 NAWSC does not have any customer accounts located within the City Amendment Area as of the effective date of this Buyout Agreement.

2.03 Subject to the approval of this Agreement by PUC and City's covenant to supply potable water to all existing and future customers requesting water service within the City Amendment Area, NAWSC hereby agrees to relinquish its rights to supply potable water to any customers located within the City Amendment Area.

ARTICLE III

DEVELOPER'S REPRESENTATIONS AND WARRANTIES

Developer hereby represents and warrants that the following facts and circumstances are true and correct:

3.01 Developer is the owner and developer of the Property. Except or unless otherwise modified by this Buyout Agreement, the Property will be developed in accordance with all applicable City, state, and federal regulations, the provisions of this Buyout Agreement, and such amendments to City ordinances and regulations as may be applied to the Property under Chapter 245, Texas Local Government Code (collectively the "**Applicable Regulations**"), as well as good engineering practices.

3.02 Developer will design, construct, and install all required utility facilities and improvements within the Property for service to the Property (collectively the “**Subdivision Utility Improvements**”) at Developer’s sole cost and expense, in compliance with this Buyout Agreement, the Applicable Regulations, plans and specifications approved by the City, and good engineering practices.

3.03 Subject to the approval of this Agreement by PUC and NAWSC’s covenant to relinquish its rights to supply potable water to customers located within the City Amendment Area, City hereby agrees to supply potable water to all existing customers of NAWSC, if any, and to any new customers requesting water service within the City Amendment Area, under the terms of the City’s ordinances, as amended from time to time until the accomplishment of all the conditions for final closing, after which time such service shall be in accordance with the standards established by City.

ARTICLE IV

GENERAL PROVISIONS

4.01 Third-Party Beneficiary. No third-party beneficiary rights exist nor are they created by this Buyout Agreement.

4.02 Notices. Any notice of communication required or permitted to be given hereunder shall be sufficiently given when delivered to the respective Party’s Authorized Representative who is identified in this Buyout Agreement in the Paragraph entitled “Parties” at the listed address by means set forth below:

- (1) delivered by hand delivery to the Party’s Authorized Representative; or
 - (2) mailed by certified or registered mail, postage prepaid, return receipt requested,
- to the Party’s Authorized Representative at the address indicated in this Buyout Agreement or at such other addresses as may hereafter be furnished in writing by any Party to the other, and such notice shall be deemed to have been given as of the date received by the addressee as indicated

by the return receipt or the records of the United States Postal Service. Notices sent by mail or hand delivery will be deemed delivered when received.

4.03 Construction and Place of Performance. This Buyout Agreement will be construed under and in accord with the laws of the State of Texas, and all obligations of the Parties created hereunder are performable in Hidalgo County, Texas.

4.04 Execution of Other Instruments. The Parties hereto agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate this Buyout Agreement.

4.05 Paragraph Headings. The paragraph headings used in this Buyout Agreement are for convenience only and are not to be considered in construing its terms.

4.06 Parties and Successors Bound. This Buyout Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns as may be applicable.

4.07 Prior Agreements. This Buyout Agreement supersedes any prior understandings or written or oral agreements between the Parties with respect to the subject matter of the Buyout Agreement and contains the entire agreement between the Parties as of the date of its execution.

4.08 Modification. This Buyout Agreement may be modified only in writing subscribed by the Parties hereto.

4.09 Effective Date. The Buyout Agreement is effective on the date last signed by a party hereto.

4.10 Specific Performance. Either party hereto may demand specific performance of this Buyout Agreement.

4.11 Attorney's Fees and Expenses. In the event any litigation arises out of this Buyout Agreement between the Parties hereto, the non-prevailing Party shall pay the prevailing Party all reasonable and necessary attorney's fees, expert fees, expenses, and costs of court expended or incurred in connection with the litigation pursuant to Section 271.153 of the Texas Local Government Code or other authority.

4.12 Approval. This Buyout Agreement has been approved by the appropriate bodies of NAWSC, City, and Developer as evidenced by appropriate minutes, resolutions, or other governing document of each entity evidencing such approval, copies of which are attached hereto as **Exhibit "D", "E", and "F"**, respectively, and are executed by the appropriate officers or officials of same.

4.13 Waiver. No waiver by the Parties hereto of any default or breach of any terms, condition, or covenant of this Buyout Agreement shall be deemed to be a waiver of any other breach of the same or other term, condition or covenant contained herein.

4.14 Release. Parties hereby release, acquit, cancel, and forever discharge each other and their respective insurers, directors, officers, agents, employees, attorneys, parents, predecessors, subsidiaries, affiliates, successors, and assigns from all claims, demands, causes of action, debts, liabilities, or controversies of any kind whatsoever, which exists as of the Effective Date, with respect to the City Amendment Area decried herein, whether known or unknown, whether liquidated or unliquidated, that each together with its insurers, directors, officers, agents, employees, attorneys, parents, predecessors, subsidiaries, affiliates, successors, and assigns may claim against the other, including but not limited to any alleged breach of contract, any alleged malicious prosecution or related claims, and any other claims that were, could have been, and/or might have been alleged, except for the obligations as set forth in Paragraph 1.03 above.

4.15 Representations and Warranty. Each Party represents and warrants that (i) it has carefully reviewed this Buyout Agreement, (ii) it has at all times been represented by and consulted with legal counsel concerning this Buyout Agreement, (iii) any questions that it has pertaining to this Buyout Agreement have been answered and fully explained to it by its counsel, (iv) its decision to execute this Buyout Agreement was not based on any statement or representation either oral or written made by any person on behalf of the other party, (v) neither party has assigned, conveyed, hypothecated, or transferred any interest in any cause of action relating to the above described claims, and (vi) each Party understands that the other Party is relying upon these representations and warranties in entering into this Buyout Agreement.

4.16 Enforceability. If any part of this Buyout Agreement is declared unenforceable or invalid, the remainder will continue to be valid and enforceable.

[The remainder of this page was left blank intentionally.]

CITY OF MERCEDES, TEXAS

By: _____
Oscar D. Montoya, Sr., Mayor

ATTEST:

BY: _____
Printed Name: Joselynn Castillo
Title: City Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Oscar D. Montoya, Sr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is the Mayor of the City of Mercedes, Texas, a Texas home rule municipality, and that he executed the same as the act of City of Mercedes, Texas for the purposes and consideration therein expressed and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set by hand and affixed my official seal this _____ day of _____, 2025.

Notary Public in and for the State of Texas

Notary Printed Name: _____

My Commission Expires: _____

NORTH ALAMO WATER SUPPLY CORPORATION
a Texas non-profit corporation

By: _____
Steve D. Krenek, President

ATTEST:

BY: _____
Derrick Swanberg, Secretary/Treasurer

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Steve D. Krenek, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is the President of North Alamo Water Supply Corporation, a Texas non-profit corporation, and that he executed the same as the act of North Alamo Water Supply Corporation for the purposes and consideration therein expressed and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set by hand and affixed my official seal this _____ day of _____, 2025.

Notary Public in and for the State of Texas

Notary Printed Name: _____

My Commission Expires: _____

BUENAVISTA DEVELOPERS, LLC
a Texas limited liability company

By: _____
Ricardo Arizmendi, Jr., Manager

By: _____
Rubi Guajardo, Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Ricardo Arizmendi, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he is a Manager of Buenavista Developers, LLC, a Texas limited liability company, and that he executed the same as the act of Buenavista Developers, LLC, for the purposes and consideration therein expressed and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set by hand and affixed my official seal this _____ day of _____, 2025.

Notary Public in and for the State of Texas

Notary Printed Name: _____

My Commission Expires: _____

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Ruby Guajardo, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she is a Manager of Buenavista Developers, LLC, a Texas limited liability company, and that she executed the same as the act of Buenavista Developers, LLC, for the purposes and consideration therein expressed and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set by hand and affixed my official seal this _____ day of _____, 2025.

Notary Public in and for the State of Texas

Notary Printed Name: _____

My Commission Expires: _____

EXHIBIT "A"

DEVELOPER PROPERTY

Carrizales Land Surveying, LLC

Texas Registered Surveying Firm

TBPELS Firm No:10194417

METES AND BOUNDS DESCRIPTION

A 5.556 ACRE TRACT

BEING A 5.556 ACRE TRACT OF LAND OUT OF LOT TEN (10), BLOCK ONE HUNDRED FOURTEEN (114), CAMPACUAS ADDITION, HIDALGO COUNTY, TEXAS, AS SHOWN BY MAP OR PLAT THEREOF RECORDED IN VOLUME 1, PAGE 2, MAP RECORDS OF HIDALGO COUNTY, TEXAS; AS CONVEYED TO LUCKSINGER LOGISTICS, LLC, BY VIRTUE OF GENERAL WARRANTY DEED RECORDED IN DOCUMENT NUMBER 3410326, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS (ORHCT), SAID 5.556 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOW:

BEGINNING at a calculated point [N:16583759.3547, E:1164769.6354], on Mile 2 1/2 West Road, the southwest corner of said Lot 10, Block 114, and the Southwest corner of this tract of land, for the **POINT OF BEGINNING**;

THENCE, North 00 degrees 39 minutes 19 seconds West, (Record ~ North) along the west line of said Lot 10, Block 114, at 55.00 feet pass a half (1/2)-inch iron rod with a pink cap stamped "C.L.S. RPLS #6388" set for reference, continuing a total distance of 293.10 feet to a pk-nail set on the west line of said Lot 10, Block 114, for the Northwest corner of this tract of land;

THENCE, North 88 degrees 47 minutes 44 seconds East, (Record ~ East) a distance of 15.0 feet pass a half (1/2)-inch iron rod with a pink cap stamped "C.L.S. RPLS #6388" set on the east right of way line of said Mile 2 1/2 West Road, continuing a total distance of 825.72 feet to a half (1/2)-inch iron rod with a pink cap stamped "C.L.S. RPLS #6388" set for the northwest corner of a 11.0 acre tract of land as conveyed to Chita Rodriguez Gudino, by virtue of General Warranty Deed recorded in document number 1301728 ORHCT, and the Northeast corner of this tract of land;

THENCE, South 00 degrees 39 minutes 19 seconds East (Record ~ South) along the west line of said 11.0 acre tract of land, at 238.10 feet pass a half (1/2)-inch iron rod with a pink cap stamped "C.L.S. RPLS #6388" set in reference, continuing a total distance of 293.10 feet to a calculated point in an existing ditch for the south line of said Lot 10, Block 114, and the Southeast corner of this tract of land;

THENCE, South 88 degrees 47 minutes 44 seconds West, (Record ~ West) along the south line of said Lot 10, Block 114, at a distance of 810.72 feet pass a calculated point for the east right of way line of said Mile 2 1/2 West Road, continuing a total distance of 825.72 feet to the **POINT OF BEGINNING**; containing 5.556 acres of land [242,010.27 Sq. Ft.] more or less.

All coordinates, bearings, and distances noted within this metes and bounds description are in U.S. Survey Feet and reference the Texas State Plane Coordinate System South Zone 4205 and in grid coordinates.

A survey plat of even date accompanies this metes and bounds description.



2-22-2023

Manuel Carrizales

Date

Registered Professional Land Surveyor

Texas Registration Number 6388



EXHIBIT "B"

CITY OF MERCEDES

"CITY AMENDMENT AREA" MAP

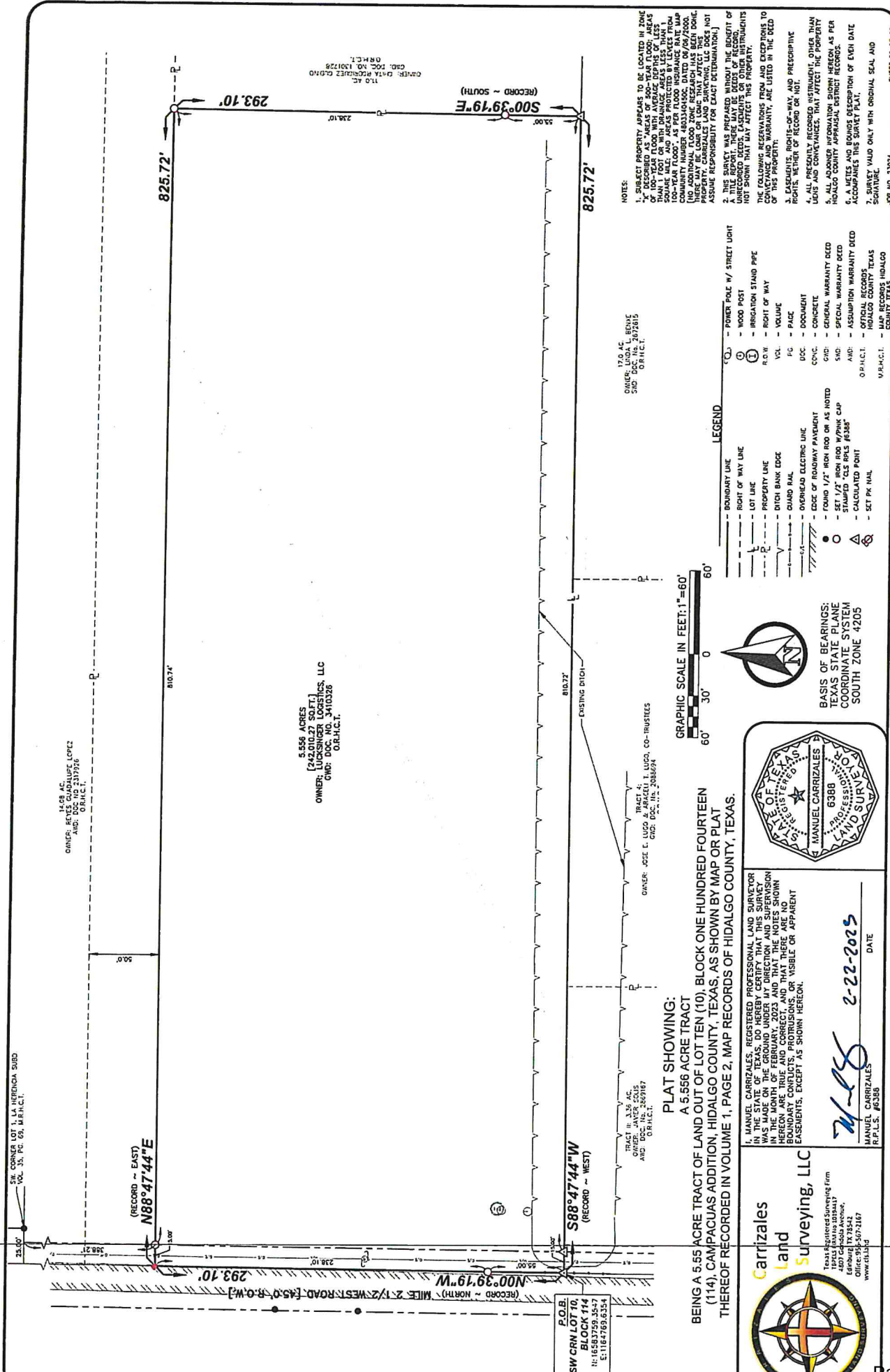
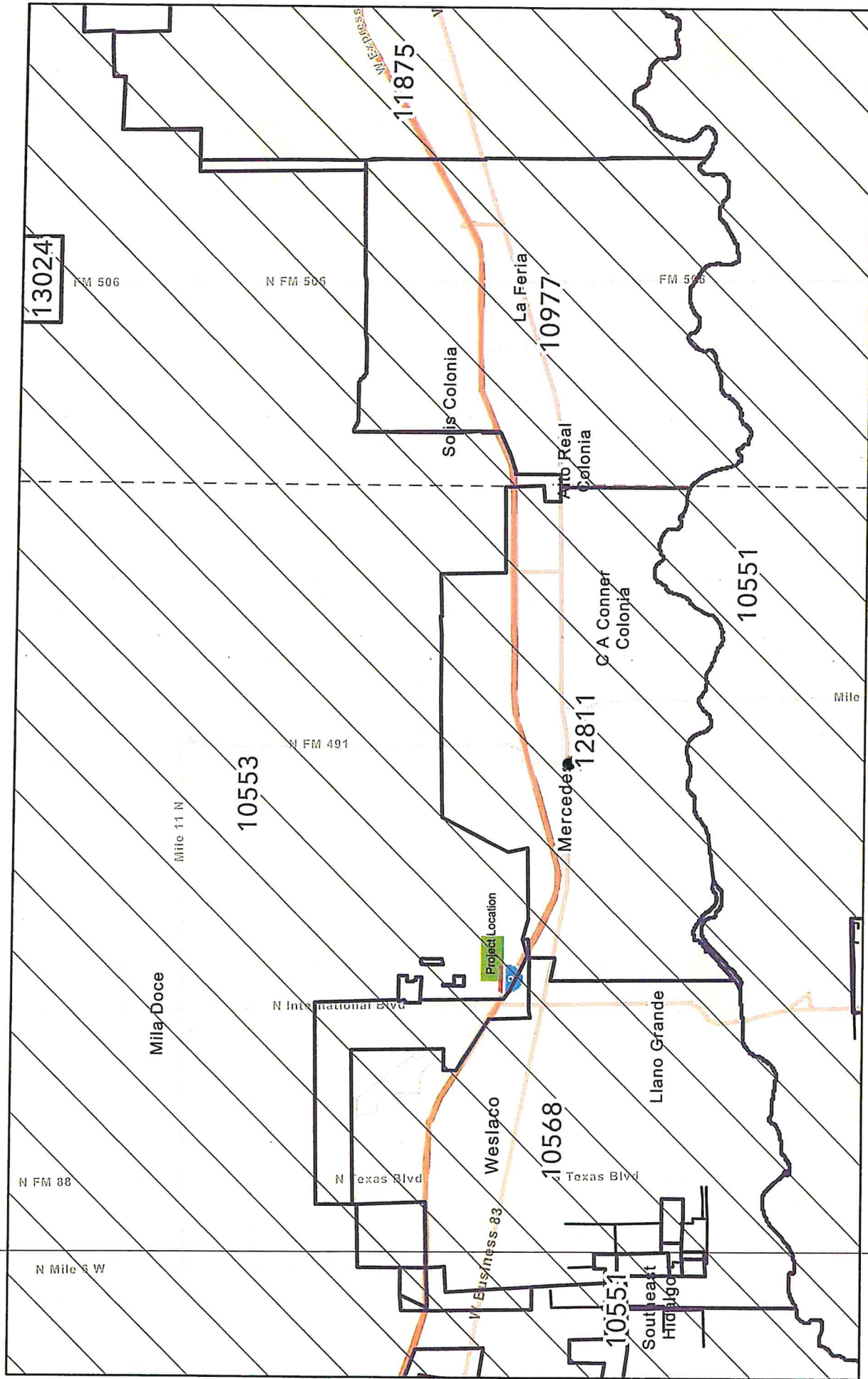


EXHIBIT "C"

CITY OF MERCEDES

CURRENT WATER CCN AREA

ArcGIS Web Map



7/24/2024, 8:04:17 AM

1:111,299



3 mi

1.5

0.75

0

5 km

2.5

1.25

0

Water CCN Facility Lines

Water CCN Service Areas

Texas Parks & Wildlife, CONANP, Esri, TomTom, Garmin, Foursquare, SafeGraph, GeoTechnologies, Inc, METINASA, USGS, EPA, NPS, USDA,

EXHIBIT "D"

NORTH ALAMO WATER SUPPLY CORPORATION

MINUTES

MINUTES
NORTH ALAMO WATER SUPPLY CORPORATION
December 14, 2023

Present

Steve D. Krenek
Thomas Jendrusch
Martin Drewry
Abdiel Cuevas
Manuel Garcia
Derrick Swanberg
Anna Flores

Staff

Steven P Sanchez
Robert Rodriguez
Irma Tamez
Robyn Rodriguez
Janie Sandoval
Agustin Gomez

Other

Richard Fryer – Corp. Attorney
Julian Silva – Visitor
Ricardo Arizmendi – Redstone Constr.
Mike Hernandez – Melden & Hunt Eng.
Daniel Rodriguez – Rio Delta Eng.
Fred Resendez – Freese & Nichols, Inc.

1. **Agenda Item #1.** The meeting was called to order by President Steve Krenek at 1:00 p.m.
2. **Agenda Item #2.** Mr. Drewry moved for the approval of the minutes of November 14, 2023. Mr. Cuevas seconded and motion carried with all in favor.
3. **Agenda Item #3.** No public comment
4. **Agenda Item #12.** Mr. Jendrusch moved for the approval of the buyout (5.55), located north of US 83 and east of Mile 2.5 W Road to Red Stone in the amount of \$13,680.00 and the service will be provided by the City of Mercedes. Mr. Swanberg seconded and the motion carried with all in favor.
5. **Agenda Item #4.** An update was made by Mr. Fred Resendez with Freese & Nichols on the following projects:
 - A. Doolittle R.O.
 - B. Owassa R.O.
6. **Agenda Item #5.** Mr. Swanberg moved for the approval of payment for all related invoices for the above-mentioned projects on Item #04 for the month of December. Mr. Garcia seconded and motion carried with all in favor.
7. **Agenda Item #6.** An update was made by Daniel Rodriguez with Rio Delta Engineering on the following project which is 95% completed:
 - A. San Carlos Lift Station Project
8. **Agenda Item #7.** No payment for all related invoices for the above-mentioned project on Item #6 for the month of December.
9. **Agenda Item #8.** A report was made by Mike Hernandez of Melden & Hunt Engineering on the following projects:
 - A. Donna Regional Wastewater Treatment Plant Phase2
 - B. Construction Phase of the Weslaco Area Wastewater Project
 - C. Mile 6 West Road Right of Way Project
 - D. Water Tower South of Donna
 - E. CIP Phase II
 - F. Water Treatment Plant 7 Raw Waterline Project
10. **Agenda Item #9.** Mr. Swanberg moved for the approval of payment for all invoices for the above-mentioned projects on Item#08 for the month of December. Mr. Drewry seconded and the motion carried with all in favor.

North Alamo WSC Board of Directors Meeting – December 14, 2023

11. **Agenda Item #10.** Mr. Swanberg moved for the approval of entering into a Standard Utility Agreement with the Texas Department of Transportation plus authorizing the Board President along with the General Manager to execute all related documents for the waterline relocation along FM 1925 from FM 907 to Sharp Road ROW CSJ 1803-02-036 due to the widening of FM 1925. Mr. Jendrusch seconded the motion and it carried with all in favor.
12. **Agenda Item #11.** Mr. Drewry moved for the approval of a buyout area (0.84 acres), located east of US 281 and south of Trenton Road to the City of Edinburg. Mr. Swanberg seconded and the motion carried with all in favor.
13. **Agenda Item #13.** Mr. Swanberg moved to table the approval of the 2024 Budget until the month of January 2024. Mr. Garcia seconded and the motion carried with all in favor.
14. **Agenda Item #14.** Mr. Jendrusch moved for the approval of engaging Kairo's Defense to prepare an IT Disaster Recovery Plan with a cost of \$4,000.00. Mr. Swanberg seconded and motion carried with all in favor.
15. **Agenda Item 15.** Mr. Garica moved for the approval of the Financial Statement for November 2023 as presented by Janie Sandoval. Mr. Jendrusch seconded and the motion carried with all in favor.
16. **Agenda Item #17.** Wastewater Operations Report, Agustin Gomez
 - A. Wastewater Operations Report
 - (1) Report on Wastewater Treatment Plants and Collection Systems for November, 2023
17. **Agenda Item #16.** Water Operations Report, Robert Rodriguez
 - A. Water Loss for the Month of November 2023
 - B. Report and discuss transmission lines for Engelman Irrigation District
 - C. Report on Plant #5 Tie-In
18. **Agenda Item #18.** General Manager's Report
 - A. Report on water levels at Falcon and Amistad Dams and IBWC Minute Order
 - B. Report on Irrigation District #9 Push water for water delivered
 - C. Report on Hidalgo County Irrigation District #1 rate increase, effective 09/01/23
 - D. Report on meetings with Hidalgo County on the waterline access agreement for fill stations in the county's rural area
 - E. Mr. Swanberg moved for the approval of petitioning irrigation for subchapter "O" Water Rights-HCID #1, HCID #2, H & C CID #9, SCID #15, Delta Lake ID, Donna ID, Engelman ID, and La Feria ID and authorizing GM and/or Assistant GM to sign all related documents. Mr. Garcia seconded and the motion carried with all in favor.
 - F. Report on La Feria wellJanuary Board Meeting – 01/16/24
19. **Agenda Item #19.** Mr. Drewry moved to approve the following subdivisions:
 - A. **Highest Praise Church RGV Subdivision, 1 lot on 0.84 acres, located east of US 281 and south of Trenton Rd., developers – Raul Euresti, Jr and Juan Manuel Borjon (City Sewer Service -Edinburg) **Buyout request
 - B. *Minnesota Oaks Subdivision, 97 lots on 25.09 acres located south of Minnesota Rd. and east of Exp. 281; developer – Lord and Gonzalez Investments Group (City Sewer Service – Pharr) *originally approved 06/20/2023 with 96 lots; needs to be amended to 97 lots; same location, acreage and developer

North Alamo WSC Board of Directors Meeting – December 14, 2023
Agenda Item #19. Continued:

- C. **Redstone Subdivision, 20 lots on 5.55 acres, located north of US 83 and East of mile 2.5 W Rd., developer – Redstone Construction (City Sewer Service – Mercedes) **Buyout request
- D. TARS 3 Subdivision, 7 lots on 10 acres, located north of Benito Ramirez Rd. and east of Skinner Rd., developer – TARS Development (Septic Tanks)
- E. *Vittoria Subdivision, 80 (4-plex) lots on 42.18 acres, located on the southeast corner of Exp 83 and Midway Rd., developer – Vittoria Investments, LLC (City Sewer Service – Weslaco) *originally approved 01/17/2023 with 85 (4-Plex) lots; needs to be amended to 80 (4-Plex) lots; same location, acreage, and developer.

These subdivisions are subject to the Corporation's rules and regulations. Mr. Cuevas seconded and the motion carried with all in favor.

20. **Agenda Item #20.** Mr. Jendrusch moved for the approval of accepting finished subdivisions for November 2023;

Subdivision Name

Date Finished

A. Tierra Wisconsin Subdivision

11/21/2023

Mr. Drewry seconded and the motion carried with all in favor.

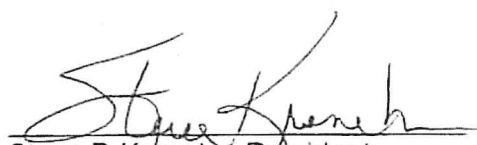
21. **Agenda Item #21.** Mr. Drewry moved for the approval of Membership Applications, Installations, Membership Transfers, and Membership cancellations. Mr. Cuevas seconded and the motion carried with all in favor.

22. **Agenda Item #22.** The board entered into executive session at 2:17 p.m. to discuss the following items:

- A. Discussion on citation served on Cavazos Suit.
- B. Discussion on the Donna Irrigation District agreement and possible approval.
- C. Consideration and possible approval of recommendations by the Wage and Salary Committee.
- D. Discussion on Irrigation District #1 Permit.

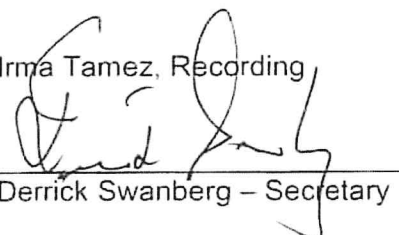
23. **Agenda Item #23.** The board returns to regular session and 2:55 p.m.
Mr. Jendrusch moved for the approval of #23-C as per the recommendations of the Wage and Salary Committee. Mr. Drewry seconded and the motion carried with all in favor.

24. **Agenda Item #24.** Mr. Drewry moved to adjourn the meeting at 2:57 p.m. Mr. Swanberg seconded and the motion carried with all in favor.



Steve D Krenek – President

Irma Tamez, Recording



Derrick Swanberg – Secretary

EXHIBIT "E"

CITY OF MERCEDES

MINUTES

EXHIBIT "F"

BUENAVISTA DEVELOPERS, LLC

RESOLUTION

**MERCEDES CITY COMMISSION
REGULAR MEETING
FEBRUARY 18, 2025 – 6:30 PM
MERCEDES CITY HALL – COMMISSION CHAMBERS**

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

MEMBERS ABSENT: Commissioner Joe Martinez

STAFF PRESENT: Alberto Perez, City Manager
Joselynn Castillo, City Secretary
Martie Garcia Vela, City Attorney (Virtual)
Kristine Longoria, Human Resources
Javier Campos, Fire Chief/EMC
Michael Rocha, I.T Specialist
Tom Villagomez, Public Works Director
Marisol Vidales, Library Director

OTHERS PRESENT: Juan Vasquez

1. CALL MEETING TO ORDER

Mayor Montoya welcomed everyone and called the meeting to order at 6:30 p.m.

2. ESTABLISH QUORUM

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

3. INVOCATION

Mayor Pro-Tem Saldana said the invocation.

4. PLEDGE OF ALLEGIANCE

Commissioner Howell led in the pledge of allegiance.

5. OPEN FORUM

There were no residents signed up for open forum.

6. PRESENTATION

There were no presentations at this time.

7. CONSENT AGENDA

a. Approval of Minutes for Meeting(s) held January 30, 2025 and February 4, 2025

b. Approval of Budget Amendment No. 202425-520-512

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

8. MANAGEMENT ITEMS: Present, discuss, consider and possibly take action regarding:

a. Approval of Request by the Hidalgo County Elections Department for the use of a Polling Location during Early Voting and Election Day for the 2025 May Election

Ms. Castillo addressed the Commission about the request from the Election Department. She stated they are requesting the use of the Mercedes HEB Park for elections being held in May

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

b. Presentation of previously approved Section 125 Cafeteria Plan Health and Wellness Program

Mayor Pro-Tem Saldana motioned to reject the previously approved Section 125 Cafeteria Plan. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously. Mr. Perez stated the item was an addition to the current city health plan which is not necessary. The City is still providing their current services through blue cross blue shield.

c. Approval of appointment of Members to the Keep Mercedes Beautiful Committee

Commissioner Garcia motioned to approve the 5 applications to the board. Mayor Pro-Tem Saldana seconded. Upon a called vote, the motion passed unanimously.

ADDENDUM: Item 8D: Approval to begin the planning of the formation of the Parks and Recreation Board.

The Commission discussed re-establishing a Parks and Recreation Board. Commissioner Howell supported moving forward, and Mayor Pro-Tem Saldana agreed that the timing was right. Mayor Montoya emphasized the need to involve representatives from all sports organizations, including baseball, football, and soccer, with recommendations coming from the Parks Director.

Legal will review the bylaws before bringing the matter back for formal consideration. Mayor Montoya also suggested adding a fundraising component. Mayor Pro-Tem Saldana noted that board recruitment would be necessary. No action was taken at this time.

9. ORDINANCES/RESOLUTIONS:

a. Approval of First Reading of Ordinance 2025-06 amending the zoning code to R-1 Single Family Residential District

Commissioner Howell motioned to have a joint approval of item 9A and 9B and forego the reading. Commissioner Garcia seconded. Upon a called vote, the motion passed unanimously.

b. Approval of First Reading of Ordinance 2025-07 amending the zoning code to R-2 Duplex-Fourplex Residential District

This ordinance was passed in the same motion as Item A.

10. BIDS/CONTRACTS

a. Approval of the Facility usage agreement for Collier Park Baseball Fields

The Commission reviewed proposed changes to the facility usage agreement for Collier Park, as recommended by Parks Director Villela. Key changes included requiring organizations to have 501(c)(3) status, prohibiting sub-leasing, mandating field cleanup, and setting a schedule for field lights. Mr. Villela clarified that leagues would manage the fields during the season, but usage would be limited to games, not practices. He also provided a breakdown of repair costs for the park. Mayor Pro-Tem Saldana motioned to approve the agreement pending legal review, seconded by Commissioner Garcia. Saldana emphasized the need for revenue to support park maintenance, while Commissioner Howell suggested sponsorship opportunities. The motion passed unanimously.

ADDENDUM: 10B: Approval to select and contract a Pony Organization for 2025 Spring Baseball Season.

The Commission discussed two Pony League organizations interested in using the city fields. Mr. Villela requested they select one, but the organizations brought the matter to the Commission. Representatives Ms. Nora Martinez and Mr. Rene Guajardo addressed the Commission, with Mr.

Guajardo emphasizing that his league meets national standards. Ms. Martinez expressed willingness to merge with Mr. Guajardo's league.

Mayor Montoya encouraged collaboration and adherence to bylaws through an election process. Mayor Pro-Tem Saldana motioned to select Mr. Guajardo while ensuring cooperation, which Commissioner Garcia seconded. The motion passed unanimously. The Commission emphasized following regulations, and Mr. Guajardo expressed appreciation and commitment to compliance.

11. MONTHLY DEPARTMENTAL REPORTS

Monthly Reports are included for the Commission to review. No action required.

- a. Planning Monthly Report**
- b. IT Department Monthly Report**
- c. City Secretary/HR Monthly Report**
- d. Recreation Center Monthly Report**
- e. Library Monthly Report**
- f. Fire Department Monthly Report**

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 Garcia motioned to go into executive session at 7:50 p.m. Commissioner Howell seconded. Upon a called vote, the motion passed unanimously.

- 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 BCIE - Section 551.087**
- d. Consultation with Attorney regarding contract negotiations - Section 551.071**

13. OPEN SESSION

Mayor Montoya called the meeting back to order at 8:40 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 Garcia motioned to adjourn. Mayor Pro-Tem Saldana seconded. Upon a called vote, the motion passed unanimously. The meeting adjourned at 8:40 p.m.

ORDINANCE NO.: 2025-06

AN ORDINANCE ESTABLISHING R-1 SINGLE-FAMILY RESIDENTIAL DISTRICT TO PROVIDE ADEQUATE SPACE AND SITE DIVERSIFICATION FOR THE FOLLOWING PURPOSES: TO ENSURE SUFFICIENT SPACE AND SITE DIVERSITY FOR MEDIUM-DENSITY RESIDENTIAL DEVELOPMENT, WITH ACCESS TO WELL-MAINTAINED STREETS AND COMMUNITY FACILITIES THAT MEET BOTH CURRENT AND FUTURE NEEDS. TO PROTECT RESIDENTIAL AREAS FROM POLLUTION, ENVIRONMENTAL HAZARDS, AND OTHER UNDESIRABLE INFLUENCES. TO MINIMIZE THE IMPACT OF HEAVY TRAFFIC ON RESIDENTIAL AREAS, WHERE POSSIBLE. TO MANAGE POPULATION DENSITY AND PREVENT CONGESTION BY PROVIDING OFF-STREET PARKING AND REQUIRING OPEN SPACES WITHIN RESIDENTIAL AREAS. THESE OPEN SPACES WILL SERVE AS AREAS FOR REST AND RECREATION, WHILE ALSO ALLEVIATING THE VISUAL MONOTONY OF CONTINUOUS BUILDING STRUCTURES AND CREATING A MORE DESIRABLE URBAN LIVING ENVIRONMENT. TO PRESERVE PRIVACY AND ENSURE ACCESS TO NATURAL LIGHT AND AIR BY REGULATING BUILDING SPACING AND HEIGHT, AS MUCH AS POSSIBLE. TO ENCOURAGE OPTIMAL LAND USE AND GUIDE BUILDING DEVELOPMENT IN ALIGNMENT WITH THE CITY'S ADOPTED POLICIES, PROMOTING DEVELOPMENT STABILITY, PROTECTING NEIGHBORHOOD CHARACTER, PRESERVING PROPERTY VALUES, AND MAINTAINING THE CITY'S TAX BASE. TO MAXIMIZE THE EFFICIENT USE OF CITY FACILITIES AND SERVICES.

WHEREAS, THIS ORDINANCE IS ADOPTED UNDER THE AUTHORITY OF THE CONSTITUTION AND THE LAWS OF THE STATES OF TEXAS AND IS HEREBY INCREMENTED AS PART OF THE CODE OF ORDINANCE OF THE CITY 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. USE REGULATION

- a. One single-family dwelling per lot, and accessory uses.
- b. Maids' quarters. ("Maids' quarters" means a portion of a dwelling unit, within the same enclosure and not a separate accessory building attached to the primary building, that may contain separate sanitary and/or kitchen facilities which is designed for or used for residential occupancy by an employee of the primary residence.
- c. Public and private directional signs, official signs, political signs or real estate signs.
- d. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.
- e. Accessory buildings including a private garage; bona fide servant's quarters not for rent but for use of servants employed on the premises, when located not less than sixty (60) feet from the front lot line and not less than (10) feet from any street line;

- f. Temporary building used for construction purposes only, which shall be removed as soon as the construction is completed or abandoned; field office for sale of real estate, which shall be removed on instruction of the building inspector of the City of Mercedes, Texas.
- g. Home occupations are permitted through the issuance of a conditional use permit.
- h. School, public or private, having a curriculum equal to a public elementary, high school, or institution of higher learning, subject to the prior issuance of a conditional use permit by the city commission
- i. Public parks, playgrounds, golf courses (except miniature golf), public recreation, and community buildings.
- j. Municipal buildings, nonprofit libraries or museums, police and fire stations.

SECTION II. CONDITIONAL USES:

- a. The conditional uses requiring a conditional use permit permitted in the R-1 single-family residential districts are as follows: All uses listed as conditional uses Article 28.

SECTION III. REGULATIONS:

- a. Height: No building shall exceed twenty-five (25) feet in height. Where a structure exceeds the 25-foot height maximum, it shall be set back one additional foot for each foot above 25 feet.
- b. Front Yard:
 - (a). There shall be a front yard having a minimum twenty-five-foot (25') front yard building setback. Should there be single-family residential plats that reflect a 30' front yard setback, they may hereafter comply with this 25' front yard building setback regulation. Provided, that if a building line has been established by ordinance or by one (1) or more buildings on one side of the street in one block, this line shall establish the depth of the front yard.
 - (b). Where lots have double frontage, running from one street to the other the required front yard shall be provided on both streets.
- c. Side Yard: There shall be a side yard lot not less than five (5) feet. A minimum ten-foot (10') side yard setback shall be imposed on all corner side yards of all 'corner lot' properties in all zoning districts.
- d. Rear Yard:
 - (a). There shall be a rear yard having a minimum ten-foot (10') rear yard building setback for the primary structure.
 - (b). Rear Yard Building Setback for Accessory Buildings: 4' or the easement boundary, whichever is greater.
- e. Lot Area: Minimum area of the lot shall be five thousand (5,000) sq. ft.; however, a lot having an area of less than five thousand (5,000) sq. ft. that was on record prior to effective date of this ordinance may be used for any use permitted in this article.
- f. Width of the lot: The minimum width of the lot shall be fifty (50) feet.

- g. Parking Regulations: Parking space shall be provided on the lot to accommodate two motor cars for each dwelling unit. A driveway leading to the garage may be used for such purpose.

SECTION IV. PROHIBITED USES:

The uses prohibited in the R-1 single-family residential districts are as follows:

1. Any building erected or land used for other than one or more of the uses specified in this division.
2. On- and off-premises signs, portable signs except for exempt political signs, animated or illuminated signs.
3. Any use of property that does not meet the required minimum lot size; front, side or rear yard dimensions; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre.
4. Broadcast towers and personal wireless service facilities.
5. Parking of any road tractor, semi-trailer, or truck is prohibited. This restriction applies to both new and existing duplex or fourplex residences, regardless of the subdivision date, the annexation date of the property, or whether parking such vehicles on the property was allowed before the prohibition was enacted by the city commission. In the case of any violation of this subsection, there will be a rebuttable presumption that the property owner or occupant either parked the vehicle or permitted it to be parked on the property.

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 this 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 zoning ordinance to be published in a newspaper of local circulation.

READ, DISCUSSED, AND APPROVED ON THIS THE 4TH DAY OF MARCH, IN THE YEAR OF OUR LORD, 2025.

1st Reading: February 18, 2025

2nd Reading: March 4, 2025

CITY OF MERCEDES:

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo
City Secretary

APPROVED AS TO FORM:

Martie Garcia Vela
City Attorney

ORDINANCE NO.: 2025-07

AN ORDINANCE ESTABLISHING R-2 DUPLEX-FOURPLEX RESIDENTIAL DISTRICT TO PROVIDE ADEQUATE SPACE AND SITE DIVERSIFICATION FOR THE FOLLOWING PURPOSES: TO ENSURE SUFFICIENT SPACE AND SITE DIVERSITY FOR MEDIUM-DENSITY RESIDENTIAL DEVELOPMENT, WITH ACCESS TO WELL-MAINTAINED STREETS AND COMMUNITY FACILITIES THAT MEET BOTH CURRENT AND FUTURE NEEDS. TO PROTECT RESIDENTIAL AREAS FROM POLLUTION, ENVIRONMENTAL HAZARDS, AND OTHER UNDESIRABLE INFLUENCES. TO MINIMIZE THE IMPACT OF HEAVY TRAFFIC ON RESIDENTIAL AREAS, WHERE POSSIBLE. TO MANAGE POPULATION DENSITY AND PREVENT CONGESTION BY PROVIDING OFF-STREET PARKING AND REQUIRING OPEN SPACES WITHIN RESIDENTIAL AREAS. THESE OPEN SPACES WILL SERVE AS AREAS FOR REST AND RECREATION, WHILE ALSO ALLEVIATING THE VISUAL MONOTONY OF CONTINUOUS BUILDING STRUCTURES AND CREATING A MORE DESIRABLE URBAN LIVING ENVIRONMENT. TO PRESERVE PRIVACY AND ENSURE ACCESS TO NATURAL LIGHT AND AIR BY REGULATING BUILDING SPACING AND HEIGHT, AS MUCH AS POSSIBLE. TO ENCOURAGE OPTIMAL LAND USE AND GUIDE BUILDING DEVELOPMENT IN ALIGNMENT WITH THE CITY'S ADOPTED POLICIES, PROMOTING DEVELOPMENT STABILITY, PROTECTING NEIGHBORHOOD CHARACTER, PRESERVING PROPERTY VALUES, AND MAINTAINING THE CITY'S TAX BASE. TO MAXIMIZE THE EFFICIENT USE OF CITY FACILITIES AND SERVICES.

WHEREAS, THIS ORDINANCE IS ADOPTED UNDER THE AUTHORITY OF THE CONSTITUTION AND THE LAWS OF THE STATES OF TEXAS AND IS HEREBY INCREMENTED AS PART OF THE CODE OF ORDINANCE OF THE CITY 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. USE REGULATION

- a. All uses listed as permitted uses in the R-1 single-family residential district.
- b. Duplexes-fourplexes.
- c. Duplex-fourplex townhouses.
- d. Duplex-fourplex condominiums.
- e. All signs permitted in the single-family residential district, and nameplates.
- f. Accessory buildings including a private garage; bona fide servant's quarters not for rent but for use of servants employed on the premises, when located not less than sixty (60) feet from the front lot line and not less than (10) feet from any street line;

- g. Temporary building used for construction purposes only, which shall be removed as soon as the construction is completed or abandoned; field office for sale of real estate, which shall be removed on instruction of the building inspector of the City of Mercedes, Texas.
- h. Home occupations are permitted through the issuance of a conditional use permit.

SECTION II. CONDITIONAL USES:

- a. The conditional uses requiring a conditional use permit permitted in the R-2 duplex-fourplex residential districts are as follows: All uses listed as conditional uses Article 28.

SECTION III. REGULATIONS:

- a. The conditional uses requiring a conditional use permit permitted in the R-2 duplex-fourplex residential districts are as follows: All uses listed as conditional uses in the R-1 single-family residential district.
- b. Height: No building shall exceed twenty-five (25) feet in height. Where a structure exceeds the 25-foot height maximum, it shall be set back one additional foot for each foot above 25 feet.
- c. Front Yard: (a). There shall be a front yard having a minimum twenty-foot (20') front yard building setback. Should there be single-family residential plats that reflect a 30' front yard setback, they may hereafter comply with this 25' front yard building setback regulation. Provided, that if a building line has been established by ordinance or by one (1) or more buildings on one side of the street in one block, this line shall establish the depth of the front yard. (b). Where lots have double frontage, running from one street to the other the required front yard shall be provided on both streets.
- d. Side Yard: There shall be a side yard lot not less than five (5) feet. A minimum ten-foot (10') side yard setback shall be imposed on all corner side yards of all 'corner lot' properties in all zoning districts.
- e. Rear Yard: (a). There shall be a rear yard having a minimum ten-foot (10') rear yard building setback for the primary structure. (b). Rear Yard Building Setback for Accessory Buildings: 4' or the easement boundary, whichever is greater.
- f. Duplex Lot Area: Minimum area of the lot shall be five thousand six hundred (5,600) sq. ft.; however, a lot having an area of less than five thousand six hundred (5,600) sq. ft. that was on record prior to effective date of this ordinance may be used for any use permitted in this article.
- g. Triplex Lot Area: Minimum area of the lot shall be six thousand seven hundred (6,700) sq. ft.; however, a lot having an area of less than six thousand seven hundred (6,700) sq. ft. that was on record prior to effective date of this ordinance may be used for any use permitted in this article.
- h. Quadplex Lot Area: Minimum area of the lot shall be seven thousand eight hundred (7,800) sq. ft.; however, a lot having an area of less than seven thousand eight hundred (7,800) sq. ft. that was on record prior to effective date of this ordinance may be used for any use permitted in this article.
- i. Width of the lot: The minimum width of the lot shall be fifty (50) feet.

- j. Parking Regulations: Parking space shall be provided on the lot to accommodate two motor cars for each dwelling unit. A driveway leading to the garage may be used for such purpose.

SECTION IV. PROHIBITED USES:

The uses prohibited in the R-2 duplex-fourplex residential districts are as follows:

1. Any building erected or land used for other than one or more of the uses specified in this division.
2. On- and off-premises signs, portable signs except for exempt political signs, animated or illuminated signs.
3. Any use of property that does not meet the required minimum lot size; front, side or rear yard dimensions; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre.
4. Broadcast towers and personal wireless service facilities.
5. Parking of any road tractor, semi-trailer, or truck is prohibited. This restriction applies to both new and existing duplex or fourplex residences, regardless of the subdivision date, the annexation date of the property, or whether parking such vehicles on the property was allowed before the prohibition was enacted by the city commission. In the case of any violation of this subsection, there will be a rebuttable presumption that the property owner or occupant either parked the vehicle or permitted it to be parked on the property.

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 this 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 zoning ordinance to be published in a newspaper of local circulation.

READ, DISCUSSED, AND APPROVED ON THIS THE 4TH DAY OF MARCH, IN THE YEAR OF OUR LORD, 2025.

1st Reading: February 18, 2025

2nd Reading: March 4, 2025

CITY OF MERCEDES:

Oscar D. Montoya, Mayor

ATTEST:

Joselynn Castillo
City Secretary

APPROVED AS TO FORM:

Martie Garcia Vela
City Attorney

Consent Agenda

DATE: March 4, 2025
FROM: Joselynn Castillo, City Secretary
ITEM: **Discussion and possible action to Approval of items for surplus to be placed in auction**

BACKGROUND INFORMATION: Staff have requested to surplus some items that are no longer needed. The items will be sent to auction when an auction is set up. At this time, an auction date has not been set.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: (Total Costs)

Proposed Expenditure/(Revenue):

\$

Account Number(s):

Finance Review by: N/A

LEGAL REVIEW: N/A

ATTACHMENTS:

1. February 2025

STAFF RECOMMENDATION: Approval of items for surplus to be placed in the auction.

Surplus Items Library Department
February 2025

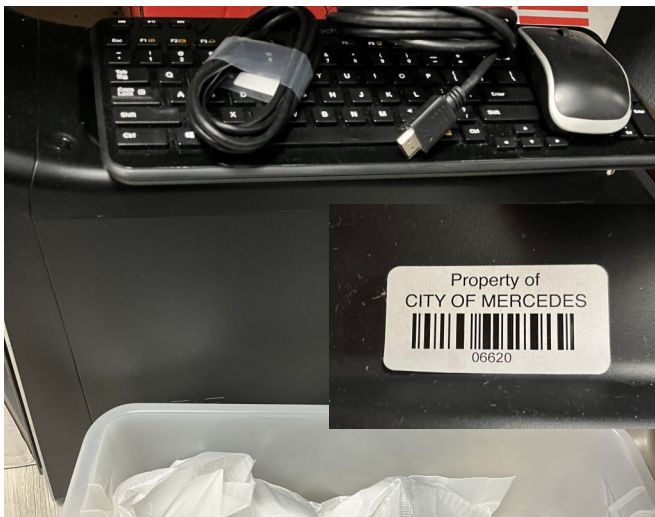


Children's Bookends (5-sets)

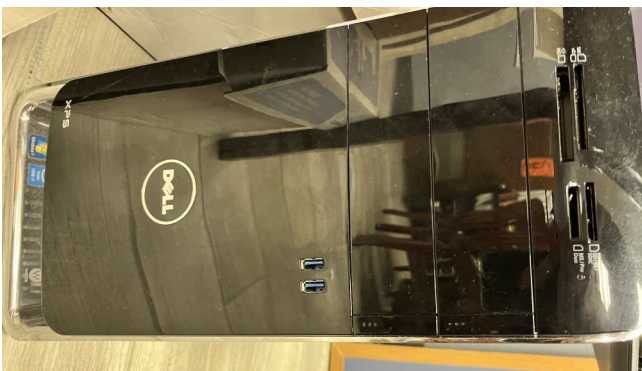




White Office Chair
City Tag: 05997



Computer Tower, Keyboard, Mouse, & Stand
City Tag: 6620





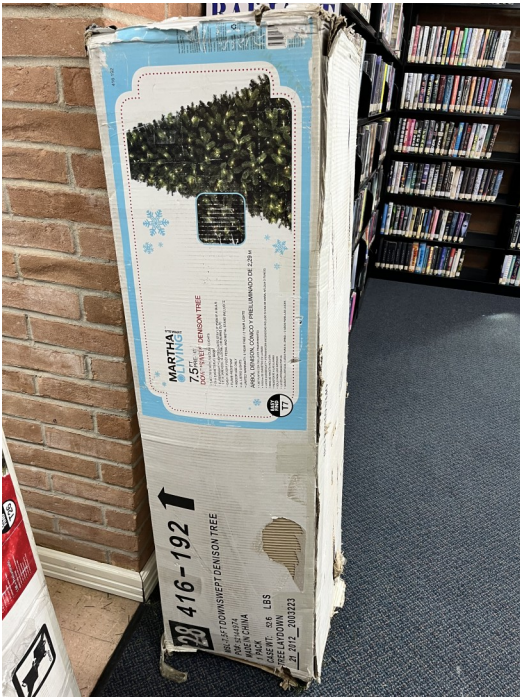
Cuisinart Panini



Cuisinart Waffle Maker



Acrylic Magazine Holders (3)



Artificial Christmas Tree 7.5 FT



Artificial Christmas Tree 6.5 FT



Acrylic Display Stands



Several Electrical Outlet Boxes



Old Base Coves



Furniture Dollies (2)



Extra Laminate Flooring



Extra Large Paper Cutter

Consent Agenda

DATE: March 4, 2025
FROM: Michael Rocha, IT Director
ITEM: **Discussion and possible action to Approval of Budget Amendment 2025-519-519**

BACKGROUND INFORMATION: The allocated funds for fuel pump hardware upgrade were not being utilized this fiscal year due to an upgrade provided by a server refresh at the start of FY 24/25. To promote increased awareness of vehicles transporting sludge on the corner of N. Illinois and Capisallo St., we will instead be reallocating those funds to place cameras and license plate readers on the utility pole directly overlooking the ingress.

BOARD REVIEW/CITIZEN FEEDBACK: N/A

ALTERNATIVES/OPTIONS: N/A

FISCAL IMPACT: (Total Costs)

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

Finance Review by: Yes

LEGAL REVIEW: N/A

ATTACHMENTS:

1. Budget Amendment 2025-519-519

STAFF RECOMMENDATION: Approval of the budget amendment

BUDGET AMENDMENT#

DATE POSTED: 2/24/2025

(Decrease)

Justification/Explanation for change: Reallocation of funds from Fuel Pump Hardware Project to Additional Security Cameras on N. Illinois & Capisallo St

Finance Dept

Mayor

City of Mercedes
Resolution 2025-07

Municipal Resolution in opposition to Texas House Bill 1683

WHEREAS on December 20, 2024, House Bill 1683 was filed with the Texas Legislature; and

WHEREAS the bill, as written, amends Texas Transportation Code 252.301(a) and mandates Counties with a population of 870,000 or more and located on an international border to adopt a centralized County Road System; and

WHEREAS Hidalgo County has historically and by statute-maintained county-owned roads and bridges through the authority of individual Commissioners answerable to the constituents in their respective precincts including its many municipalities; and

WHEREAS in 2024, Hidalgo County spent more than \$31 million maintaining in excess of 2,046 miles of roads with Precinct 1 maintaining 879 miles; Precinct 2 maintaining 110 miles; Precinct 3 maintaining 525 miles; and Precinct 4 maintaining 532 miles – much of this benefitting smaller communities; and

WHEREAS other Texas counties may benefit from consolidating the road and bridge functions into a single decision-making unit, Hidalgo County is unique among other large counties in that there are 22 separate municipalities with the four largest being of roughly equal size so that no centralized population center exists among the municipalities; and

WHEREAS the historic and statutory precedent of having County Commissioners oversee county road and bridge functions in Hidalgo County benefits the County by allowing the elected officials to be responsive to and in close contact with the transportation needs of all municipalities and constituents in their respective precincts, and has particularly benefitted smaller municipalities within the county jurisdiction; and

WHEREAS Texas Transportation Code 252.301, as currently written, permits the adoption of a County Road System; and

WHEREAS House Bill 1683 would restrict Texas counties and have the State mandate how these counties will maintain their roads and bridges, to the detriment of smaller communities.

NOW, THEREFORE, BE IT RESOLVED that the municipalities represented below strongly oppose House Bill 1683 in its current form, because it removes any discretion that may be exercised by the duly elected Commissioners Court with input from local municipalities and mandates a course of action that disregards the unique balance of population centers that are encompassed in the 22 municipalities of Hidalgo County, to the detriment of many communities, and to a possible disastrous effect to the smaller communities who have benefitted from the existing oversight and funding formulas employed by the Hidalgo County Commissioners Court.

PASSED, APPROVED, AND ADOPTED on this the 4th day of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor

Joselynn Castillo, City Secretary

RESOLUTION NO. 2025-08

WHEREAS, the City of Mercedes' City Commission finds it in the best interest of the citizens of Mercedes, Texas that the City of Mercedes - State Crisis Intervention Grant Program FY26 be operated for the fiscal year 2026 (10/01/2025 – 9/30/2026); and

WHEREAS, the City of Mercedes' City Commission agrees to provide applicable matching funds for the said project as required by the CI - Byrne State Crisis Intervention Program grant application; and

WHEREAS, the City of Mercedes City Commission agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Mercedes City Commission assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Mercedes' City Commission designates the Mercedes City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Mercedes' City Commission approves submission of the grant application for the City of Mercedes - State Crisis Intervention Program FY26 to the Office of the Governor.

PASSED AND APPROVED this 4th of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor
City of Mercedes, Texas

Joselynn Castillo, City Secretary

Grant Number: 5439901

Resolution 2025-09

WHEREAS, the City of Mercedes' City Commission finds it in the best interest of the citizens of Mercedes, Texas, that the City of Mercedes – State Homeland Security Program FY2025 be operated for the fiscal year 2026 (10/01/2025 - 9/30/2026); and

WHEREAS, the City of Mercedes' City Commission agrees to provide applicable matching funds for the said project as required by the HS-Homeland Security Grant Program (HSGP) grant application; and

WHEREAS, the City of Mercedes City Commission agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Mercedes City Commission assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Mercedes City Commission designates the Mercedes City Manager, or their designee, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Mercedes City Commission approves submission of the grant application for the City of Mercedes – State Homeland Security Program FY2025 to the Office of the Governor.

PASSED AND APPROVED on this the 4th day of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor
City of Mercedes, Texas

Joselynn Castillo, City Secretary

Grant Number: 5441101

Resolution 2025-10

WHEREAS, the City of Mercedes' City Commission finds it in the best interest of the citizens of Mercedes, Texas, that the Operation Lone Star Grant FY2026 be operated for the fiscal year 2026 from 9/1/2025 to 8/31/2026; and

WHEREAS, the City of Mercedes City Commission agrees to provide applicable matching funds for the said project as required by the BD-Operation Lone Star Grant Program; and

WHEREAS, the City of Mercedes City Commission agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Mercedes City Commission, assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Mercedes City Commission designates the Mercedes City Manager, or their designee, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Mercedes City Commission approves the submission of the grant application for the Operation Lone Star - FY2026 to the Office of the Governor.

PASSED AND APPROVED on this the 4th day of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor
City of Mercedes, Texas

Joselynn Castillo, City Secretary

Grant Number: 5067102

Resolution 2025-11

WHEREAS, the City of Mercedes' City Commission finds it in the best interest of the citizens of Mercedes, Texas, that Hidalgo-2024 OPSG be operated for the fiscal year 2026 from 3/1/2025 to 2/28/2026; and

WHEREAS, the City of Mercedes City Commission agrees to provide applicable matching funds for the said project as required by the HS-Homeland Security Grant Program (HSGP); and

WHEREAS, the City of Mercedes City Commission agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Mercedes City Commission, assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Mercedes City Commission designates the Mercedes City Manager, or their designee, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Mercedes City Commission approves the submission of the grant application for the Hidalgo-2024 OPSG to the Office of the Governor.

PASSED AND APPROVED on this the 4th day of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor
City of Mercedes, Texas

Joselynn Castillo, City Secretary

Grant Number: 3172810

DATE: March 4, 2025
FROM: Javier Campos, Fire Chief
ITEM: Discussion and possible action to Approval of Resolution 2025-12 regarding the Border Zone Fire Department Grant

BACKGROUND INFORMATION: The Mercedes Fire Department is requesting grant funding to purchase an intermediate wildland/brush fire module at no cost to the tax payer. This module will include a compact track loader with an attachment that not only functions as a dozer blade, but also has a water tank, fire suppression pump, and firefighting equipment. The grant request also includes all necessary equipment to make the module fully operational, to include a tow vehicle, trailer, lighting, radios, and miscellaneous firefighting equipment.

BOARD REVIEW/CITIZEN FEEDBACK: No

ALTERNATIVES/OPTIONS: No

FISCAL IMPACT: (Total Costs)

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

Finance Review by: No

LEGAL REVIEW: N/A

ATTACHMENTS:

1. 2025-12 - Border Fire Zone REVISED

STAFF RECOMMENDATION: Recommend Approval

Resolution 2025-12

WHEREAS, the City of Mercedes' City Commission finds it in the best interest of the citizens of Mercedes, Texas, that the City of Mercedes - Border Zone Fire Departments FY2026 be operated for the fiscal year 2026 from 9/1/2025 to 8/31/2026; and

WHEREAS, the City of Mercedes City Commission agrees to provide applicable matching funds for the said project as required by the BF-Border Zone Fire Departments (BZFD); and

WHEREAS, the City of Mercedes City Commission agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Mercedes City Commission assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Mercedes City Commission designates the Mercedes City Manager, or their designee, as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Mercedes City Commission approves submission of the grant application for the City of Mercedes - Border Zone Fire Departments FY2026 to the Office of the Governor.

PASSED AND APPROVED on this the 4th day of March, 2025.

ATTEST:

Oscar D. Montoya Sr., Mayor
City of Mercedes, Texas

Joselynn Castillo, City Secretary

Grant Number: 5188302

12/2/2024

City of Mercedes

Alberto Perez, City Manager
400 South Ohio
Mercedes, TX 78570

Re: First Amendment to the City of Mercedes Operations Service Agreement

Dear Mr. Perez:

USW Utility Group (USWUG and/or Company) is pleased to present you the First Amendment to the City of Mercedes (City) Operations Service Agreement. The following Amendment involves adding 2 lift stations, 2 storm water pump stations, and administration of the Industrial Pretreatment Program (IPP). In addition to expanding the Scope of Services, USWUG proposes to revise the effective date of the Term of Agreement. The additional assets and areas of responsibility (IPP) changes in the Scope of Services changes will be implemented at **no additional cost** to the City.

Thank you for allowing our Company to participate in this important process and we appreciate the opportunity to assist the City with these additional services.

Sincerely,



Jeffrey DuPont

Vice President
(727) 919-2942
JDuPont@USWaterCorp.net

FIRST AMENDMENT
TO THE
CITY OF MERCEDES OPERATIONS SERVICES AGREEMENT

The First Amendment (the "First Amendment") to the Agreement for Operation, Maintenance and Management of Water and Wastewater Facilities and Lift Stations is entered into as of January 1, 2025 by and between USW Utility Group (USWUG), whose address is 1406 Central Avenue, Fort Dodge, IA 50501 and the City of Mercedes ("City"), with its principal place of business at 400 South Ohio, Mercedes, Texas 78570, collectively referred to the "Parties".

WHEREAS, reference is made herein to that certain Agreement between the Parties dated January 1, 2021, for the Operation, Maintenance and Management of the City's Water and Wastewater Facilities and Lift Stations (the "Agreement"); and

WHEREAS, the Parties desire that the Agreement be amended to include a change in the Scope of Services, Term, and Description of Facilities, more specifically detailed below; and

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties hereby agree to amend the Agreement as follows:

1. All capitalized terms contained in this First Amendment and not specifically defined herein, shall have the meaning provided to such terms in the Agreement, as amended.
2. ARTICLE II – SCOPE OF SERVICES is hereby amended to add a new Article 2.57 which shall read as follows:

2.57 USWUG shall administer the Industrial Pretreatment Program (IPP) in accordance with the City's written implementation procedures, enforcement response plan, and City Ordinance 2023-13 adopted 9/6/2023; however, such administration shall be expressly limited to monitoring and testing functions only. The City shall be solely responsible for all actions related to the Industrial Pretreatment Program except for monitoring and testing as provided herein. USWUG shall provide the City with technical assistance for revisions and upgrades to City ordinances to meet current and future revisions to State and Federal Industrial Pretreatment regulations and/or the City's NPDES permit. USWUG shall provide supporting information to allow the City to perform enforcement activities and to bill for those discharges from industrial sources that exceed City ordinances. USWUG shall be compensated for such outside laboratory testing analysis in the manner provided by Article 5.2 of this Agreement.

3. ARTICLE VI – TERM OF AGREEMENT shall be modified in its entirety and shall instead read as follow:

The stated Term of this Agreement is for ten (10) calendar years beginning on the Commencement Date and may renew for two additional two (2) year term extensions with the written agreement of both parties at any time prior to the expiration of the primary term or any extension term if

applicable. USWUG reserves the right to cancel this agreement without ninety (90) days written notice if City's account becomes thirty (30) days past due.

4. EXHIBIT A – Description of Facilities shall be modified in its entirety and shall read as follows:

For purposes of this Agreement, the following Facilities are included:

A. Wastewater Treatment Plants

The wastewater treatment plants, located at 1501 Mile 8 North Mercedes, TX and has a design capacity of 5 MGD and currently treats an annual average daily flow of 1.6 MGD. The wastewater treatment plants are operated under NPDES Permit #WQ0010347001.

B. Lift Stations

Currently there are thirty-eight (38) lift stations in operation. Other lift stations may be added to the City's System during the Term of this Agreement, which may be considered a change pursuant to Section 8.1.

C. Water Treatment Plant

The surface water treatment plant has a design capacity of 3.78 MGD and the ground water treatment plant has a design capacity of 1.728, currently treating a combined annual average daily flow of 2.2 MGD. The water treatment plant is operated under Permit #1080007PWSID.

D. Storage

Currently there are two (2) elevated storage tanks in operation. The East Water Tower is located near the industrial park and the Northwest Water Tower is located near the cemetery.

E. Storm Water Pump Stations

Currently there are two (2) storm water pump stations in operation. Other pump stations may be added to the City's System during the Term of this Agreement, which may be considered a change pursuant to Section 8.1.

5. All remaining terms and provisions of the Agreement shall remain in full force and effect to the extent that they do not conflict with this First Amendment. In the event of any conflict between the provisions of this First Amendment and the provisions of the Agreement, the provisions in this First Amendment shall control.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date first written above.

[SIGNATURE PAGES FOLLOW]

(Signature)

Oscar D. Montoya Sr.
(Printed or Typed)

Mayor
(Title)

(Date)

Attest _____ L.S.

By: _____ L.S

USW Utility Group. (the "Contractor")

(Signature)

Jeffrey DuPont
(Printed or Typed)

Vice President
(Title)

(Date)

Attest _____ L.S.

By: _____ L.S



Quote

CB3 Consultants, LLC

1014 Hill Country Road, Edinburg, TX 78539
Phone: 956-605-9966
Email: CB3Consultant@gmail.com

QUOTE NO.2512
JANUARY 27, 2025

EXPIRATION DATE
30 DAYS FROM QUOTE DATE

TO City of Mercedes
509 S Alton Blvd
Alton, TX 78573
City Manager Albert Perez

SALESPERSON	JOB	PAYMENT TERMS	DUE DATE
ERIC CACERES	City of Mercedes	PAYMENT IN FULL	

QTY	DESCRIPTION	UNIT PRICE	LINE TOTAL
1	Multi-disc Screw Press MDQ-354CL, sludge feeding pump Express64 Wangen PC, and a Polymer Feeder Excell 6043PSA2-SX.		
1	Mobile platform unit with covering		
1	Conveyor w/ sensors		
1	Sludge pumps		
1	Polymer system		
	Incoming and Return piping		
	Turn-key installation		
	(2 year warranty)		
	Total		\$750,000.00
	Shipping		\$9,500.00
	Grand Total		\$759,500.00
Thank you for your business!			



Quote

CB3 Consultants, LLC

1014 Hill Country Road, Edinburg, TX 78539
Phone: 956-605-9966
Email: CB3Consultant@gmail.com

QUOTE NO.2513
JANUARY 27, 2025

EXPIRATION DATE
30 DAYS FROM QUOTE DATE

TO City of Mercedes
509 S Alton Blvd
Alton, TX 78573
City Manager Albert Perez

SALESPERSON	JOB	PAYMENT TERMS	DUE DATE
ERIC CACERES	City of Mercedes	LEASE TO OWN	REFER TO CONTRACT

QTY	DESCRIPTION	UNIT PRICE	LINE TOTAL
1	Multi-disc Screw Press MDQ-354CL, sludge feeding pump Express64 Wangen PC, and a Polymer Feeder Excell 6043PSA2-SX.		
1	Mobile platform unit with covering		
1	Conveyor w/ sensors		
1	Sludge pumps		
1	Polymer system		
	Incoming and Return piping		
	Turn-key installation		
	LEASE TO OWN UNIT FOR 60 MONTHS WHICH INLCUDES		
	60 MONTH MAINTAINANCE AND WARRANTY PROGRAM		\$15,500.00 A MONTH
Thank you for your business!			

Table 3-1: OPCC (2024 Dollars)

Solids Dewatering Equipment	Planning Level OPCC (2024 Dollars) ^a	Annual Operational Costs ^b
Belt Press	\$2,118,452	\$63,435
Centrifuge	\$2,100,277	\$56,355
Multi-Disc Screw Press	\$2,211,425	\$59,622
Screw Press	\$1,883,923	\$69,809
a: FNI OPCC classified as an AACE Class 4 Estimate with accuracy range of -20% to +30%. FNI OPCC does not include costs associated with engineering fees, permits, surveying, etc. b: Annual O&M costs include estimate hauling, energy, and polymer costs. It does not include sludge feed pumps, maintenance costs, or water costs.		