

Development Corporation of Mercedes, Inc.
Regular Called Meeting
Wednesday, October 19, 2022 11:30AM

Board Members Present:

Fred Gonzalez – President
Joe Flores – Vice President
Tony Garza – Treasurer
Peggy Marie Chavez-Yanez – Secretary
Luis Huerta – Member
Marcos Garcia - Member
Roel Villanueva- Member

Board Members Absent:

EDC Staff Present:

Melissa Ramirez – Executive Director
Norma Saenz – Administrative Coordinator

City Staff Present:

Javier Ramirez – Assistant City Manager

Others Present:

Rudy Salinas – SAS, CPA, LLC.
Mark Sossi – DCM Attorney – Video Conference

Others Absent:

1. Call Meeting to order

Fred Gonzalez called the meeting to order at 11:30 AM.

2. Discussion and Action: September 7, 2022 Minutes

Roel Villanueva motioned to approve the September 7, 2022 minutes as presented. Seconded by Luis Huerta. Unanimous.

3. Discussion and Action: August 2022 and September 2022 Financials

Roel Villanueva motioned to approve the August and September 2022 financials as presented by Rudy Salinas, SAS, CPA. Seconded by Peggy Marie Chavez-Yanez. Unanimous.

4. Discussion and Action: Demolition of Mercedes Original Townsite Lot 15 & Pt of Lot 16 & 17

Marcos Garcia motioned to award the contract to M3 Demolition & Excavation to demo the home and

trees at the property located at 357 N. Virginia St for \$7,285. Seconded by Tony Garza. Unanimous.

5. Discussion and Action: Usage of 40k American Express points

Marcos Garcia motioned to approve utilizing 40K American Express points to purchase \$200 gift cards for EDC staff Norma Saenz and Donna Jackson for Christmas. Seconded by Joe Flores. Unanimous.

6. Discussion and Action: Leadership Mercedes

Marcos Garcia motioned to approve the \$7k deficiency for the Leadership Mercedes program, as well as, allowing additional support to allow the program to increase its participation. Seconded by Joe Flores. Unanimous.

7. Discussion and Action: Farm Fest 2022 Sponsorship

Tony Garza motioned to decline the sponsorship request for \$5K to the South Texas Farm Fest. Seconded by Luis Huerta. Unanimous.

8. Executive Session: Section 551.087: Economic development negotiations with Project MD, Project STM, Project J. Martinez; Section 551.072 Real Estate: Mercedes Original Townsite Lot 14 BLK 50, and Section 551.071: pending legal issues with delinquent loans and the USDA and on any regular agenda item requiring confidential, attorney-client advice necessitated by the deliberation or discussion of said item as needed.

The Board went into Executive Session at 12:05 PM

The Board went into Open Session at 1:13 PM

9. Discussion and Action: item #8

Tony Garza motioned to approve the incentive of \$217,800 for Project STM to be paid upon CO. Seconded by Marcos Garcia. Unanimous.

Tony Garza motioned to approve a new note in the amount of \$38,214.40 for JOM Investments; note will be amortized over 8 year period at 4% with a balloon payment on the 4th year. Seconded by Joe Flores. Unanimous.

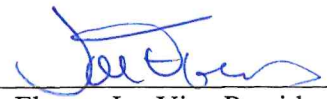
Joe Flores motioned to approve the purchase of 327 N. Virginia St. for \$52,437; current property owners removes house and tree. Seconded by Tony Garza. Unanimous.

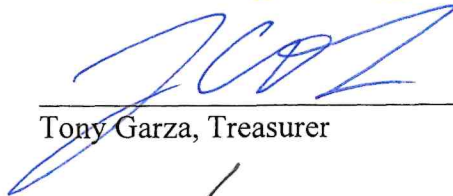
Marcos Garcia motioned to direct counsel to proceed as discussed in Executive Session in reference to USDA. Seconded by Joe Flores. Unanimous

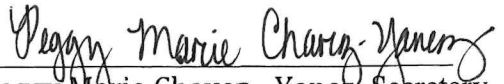
Marcos Garcia motioned to direct counsel to send another demand letter to MD International as discussed in Executive Session. Seconded by Tony Garza. Unanimous.

10. Adjournment: 1:17 PM


Fred Gonzalez, President

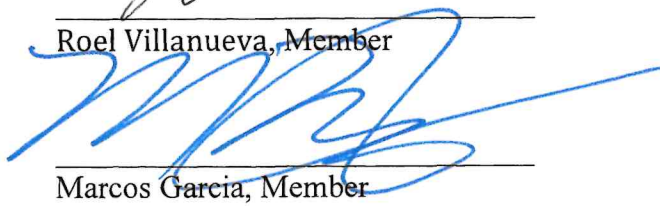

Joe Flores, Jr., Vice President


Tony Garza, Treasurer


Peggy Marie Chavez - Yanez, Secretary


Roel Villanueva, Member


Luis Huerta, Member


Marcos Garcia, Member