

**Development Corporation of Mercedes, Inc.**  
**Regular Called Meeting**  
**Wednesday, August 16, 2023 11:30AM**

**Board Members Present:**

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

**Board Members Absent:**

Joe Flores – Member

**EDC Staff Present:**

Melissa Ramirez – Executive Director  
Zefra Mascorro – Administrative Coordinator  
Mark Sossi - DCM Attorney

**EDC Staff Absent:**

Mario Salinas – Marketing Specialist

**City Staff Present:**

Alberto Perez – City Manager  
Javier Ramirez- Assistant City Manager

**Others Present:**

Stephanie Neises- Freese & Nichols  
Juan Bujanos – Freese & Nichols  
Roxxie De La Cruz- Halff Associates (Virtually)  
Bobby Calvillo- Affordable Homes of South Texas  
Nayelli Valdemar- Funky Flower Shop  
Clayton Evans- Rios of Mercedes

**1. Call Meeting to order**

Fred Gonzalez called the meeting to order at 11:32AM

**2. Discussion and Action: July 19, 2023 Minutes**

Marcos Garcia voted to approve the July 19, 2023 Minutes as presented. Seconded by Lou Huerta. All voted aye.

**3. Discussion and Action: July 2023 Financials**

Roel Villanueva voted to approve the August 2023 Financials as presented. Seconded by Lou Huerta. All voted aye.

**4. Discussion: Freese and Nichols, Inc.-Water and Wastewater Master Plan Projections**

Stephanie Neises presented the Water and Wastewater Master Plan Projections.

**5. Executive Session: Section 551.087: Economic development negotiations with Project M30, Project 150, Project M2, Project AHSTI, Project N. Valdemar, Project Bert Ogden, Project A. Garcia, Project RGVLS, Project Mercedes Light Industrial Park, Project Ali, Project G. Schwarz, Project Cruz, Project STM, Project Coffee, Project Killer V, Project Carwash, Project Rios and Project UT. Section 551.074 Personnel Issues and Section 551.071: pending legal issues with delinquent loan MD International 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 11:49AM*

*Javier Ramirez, Assistant City Manager, Melissa Ramirez, Executive Director and Zefra Mascorro, Administrative Coordinator exited the Executive Session at 1:23PM*

*Lou Huerta, Board Secretary Exited the Executive Session at 1:54PM*

*Javier Ramirez, Assistant City Manager, Melissa Ramirez, Executive Director and Zefra Mascorro, Administrative Coordinator returned to the Executive Session at 1:59PM*

*The Board went into Open Session at 2:00PM*

**6. Discussion and Action: item #5**

Roel Villanueva motioned to engage Half Associates for \$28,750 to provide professional engineering services for Project M30 contingent on an executed performance agreement with the developer. Seconded by Lou Huerta. All voted aye.

Marcos Garcia motioned to revisit Project AHSTI in 60 days. Seconded by Tony Garza. All voted aye.

Marcos Garcia motioned to approve a loan for Project N. Valdemar at \$50,000 for a period of 7

years at a 3.5% interest rate and collateralize the property with a first lien, the vehicle and inventory. Seconded by Roel Villanueva. All voted aye.

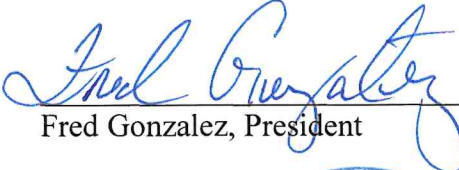
Roel Villanueva motioned to authorize the DCM attorney to reach out to Bert Ogden's attorney to come to a resolution. Seconded by Peggy Chavez-Yanez. Lou Huerta, Fred Gonzalez, and Marcos Garcia voted aye. Tony Garza abstained.

Tony Garza motioned to amend the terms of Project Rios' performance agreement considering the total investment Project Rios has made while maintaining the DCM's original incentive. Seconded by Marcos Garcia. All voted aye.

Marcos Garcia motioned to approve for FY23-24 the total compensation of the DCM Executive Director being salary and education, but no inclusive of mileage be increase to \$105,000 based on a positive performance evaluation, and to approve an amendment to the Executive Director's contract to build a yearly evaluation with potential raises and other terms to be negotiated. Seconded by Tony Garza. All voted aye.

Marcos Garcia motioned to accept and acknowledge the performance evaluations that were given to the Board President of the Executive Director and for them to be placed in their staff file. Seconded by Roel Villanueva. All voted aye.

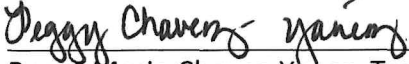
**7. Adjournment: 2:08PM**

  
Fred Gonzalez, President

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Joe Flores, Jr., Member

  
Marcos Garcia, Vice-President

  
Tony Garza, Member

  
Peggy Marie Chavez-Yanez, Treasurer

  
Roel Villanueva, Member

  
Lou Huerta, Secretary