4. Discussion and Action: DCM Investment Policy

Memo

To: DCM Board of Directors

From: Zefra Mascorro, Administrative Coordinator

CC: File

Date: 8/14/2025

Re: DCM Investment Policy

Each year, the investment policy must be approved.

Recommendation: Approve

DEVELOPMENT CORPORATION OF MERCEDES
INVESTMENT POLICY AND STRATEGY

I. INTRODUCTION

It is the policy of the Development Corporation of Mercedes of Mercedes that the administration of its funds and the investment of
those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal while meeting the daily cash flow needs of the Development Corporation of Mercedes and conforming to the Public Funds Investment Act (the "Act') Texas Government Code Chapter 2256. It is the intent of the Development Corporation of Mercedes to be in complete compliance with local law and the Act. The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. The earnings from investment will be used in a manner that best serves the interests of the Development Corporation of Mercedes. The purpose of this Policy is to set specific investment policy and strategy guidelines. Direct specific investment parameters for the investment of public funds in Texas are found in the Act. The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public Texas funds deposits.

II. SCOPE

This investment policy applies to all financial assets of the Development Corporation of Mercedes and any new funds created unless specifically exempted by the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors and this Policy.

III. OBJECTIVES

It is the policy of the Development Corporation of Mercedes that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield. Investments are to be chosen in a manner which promotes diversity. To match anticipated cash flow requirements the maximum weighted average maturity (WAM) of the overall portfolio may not exceed 12 months.

Safety

The primary objective of the investment activity is the preservation of capital. Each investment transaction shall be conducted in a manner to avoid capital losses, whether from security defaults, safekeeping, or erosion of market value.

Liquidity

The investment portfolio shall be structured to meet all expected obligations in a timely manner. This shall be achieved by matching investment maturities with forecasted cash flow liabilities and maintaining additional liquidity for unexpected liabilities.

Diversification

The portfolio shall be diversified by institution, market sector and maturity as much as possible.

Yield

The benchmark for the commingled portfolio shall be the comparable period 12 month U. S. Treasury Bill, designated for its comparability to the expected average cash flow pattern. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified and the Development Corporation of Mercedes' prudent investment strategy.

Cash management is the process of managing funds in order to insure maximum cash availability and reasonable yield on short-term investments. The Development Corporation of Mercedes shall strive for a cash management program which includes timely collection of accounts receivable, vendor payments in accordance with invoice terms, and prudent investment of assets.

IV. INVESTMENT STRATEGY

The Development Corporation of Mercedes maintains one commingled portfolio for investment purposes which incorporates the specific uses and the unique characteristics of the funds in the portfolio. The investment strategy has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The Development Corporation of Mercedes shall pursue conservative portfolio management strategy. This may be accomplished by creating a laddered maturity structure with some extension for yield enhancement. The maximum dollar weighted average maturity of six months or less will be calculated using the stated final maturity date of each security.

V. DELEGATION OF RESPONSIBILITY

No unauthorized person may engage in an investment transaction and all transactions shall be executed as provided under the terms of this Policy and its supporting procedures.

<u>Investment Officer(s)</u>

The Rudy Salinas and the Development Corporation of Mercedes Manager will be designated as Investment Officers, by governing body ordinance, responsible for investment decisions and activities. The Investment Officer(s) are responsible for creating and maintaining the portfolio in accordance with this Policy, providing timely quarterly reporting to the Development Corporation of Mercedes Board of Directors, and establishing supporting procedures.

All investment officers shall attend at least ten hours of training approved by the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors within 12 months of designation as investment officer and shall attend ten hours of training every two successive fiscal years.

Investment Officers shall refrain from personal and business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. An Investment Officer who has a personal business relationship within two levels of blood or marriage with an organization seeking to sell an investment to the Development Corporation of Mercedes shall file a statement disclosing that relationship to the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors and the Texas Ethics Commission.

Development Corporation of Mercedes Development Directors Responsibilities
The Development Corporation of Mercedes Board of Directors holds ultimate fiduciary responsibility for the portfolio. It will designate investment officer(s), receive and review quarterly reporting, approve and provide for investment officer training, approve broker /dealers, and review and adopt the Investment Policy and Strategy at least annually.

VI. PRUDENCE AND CONTROLS

The standard of prudence to be applied to all Development Corporation of Mercedes investments shall be the "prudent person" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds under the Development Corporation of Mercedes' control,over which the officer has responsibility rather than a consideration as to the prudence of a single investment.

The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall be responsible but not liable for a specific security' s credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

Internal Controls
The Investment Officer is responsible for establishing and maintaining internal controls to reasonably assure that assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and, the valuation of costs and benefits requires ongoing estimates and judgments by management.

The internal controls shall address the following points at a minimum:
Control of collusion, Separation of transaction authority from accounting and record keeping, Custodial safekeeping. Clear delegation of authority, Written confirmation for all transactions, and Review, maintenanceand monitoring of security procedures both manual and automated.

Annually the Investment Officer shall perform a check -list compliance audit to assure compliance with requirements of this policy and the Act. Annually, the Development Corporation of Mercedes's external auditor shall review the quarterly reports.

Cash Flow Forecasting
Cash flow forecasting is designed to protect and sustain cash flow requirements of the Development Corporation of Mercedes. The Investment Officer will analyze and maintain a cash flow plan to monitor and forecast cash positions for investment purposes.

Competitive Bidding
All security transactions will be made on a competitive basis to assure the Development Corporation of Mercedes is receiving good market rates. When- issued securities should be compared to other securities available in the secondary market.

Monitoring Credit Ratings
The Investment Officer shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio which require credit ratings based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer shall notify the Development Corporation of Mercedes manager of the loss of rating, and liquidate the investment within two days.

Monitoring FDIC Status for Mergers and Acquisitions
The Investment Officer shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the Development Corporation of Mercedes based upon information from the FDIC ("§ c.gov). If any bank has been acquired or merged with another bank in which brokered CDs are owned by the Development Corporation of Mercedes, the Investment
Officer or Adviser shall immediately liquidate any brokered CD which places the Development Corporation of Mercedes above the FDIC
insurance level.

VII. AUTHORIZED INVESTMENTS
Assets of the Development Corporation of Mercedes may be invested only in the following instruments as further defined by the Act. If changes are made to the Act they will not be authorized until this Policy is modified and adopted by the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors. All investment transactions will be made on a competitive basis.

A. Obligations of the United States Government, its agencies and instrumentalities with a maximum stated maturity of 2 years excluding mortgage backed securities

B. Fully insured or collateralized depository certificates of deposit from banks in Texas, with a maximum maturity of one year insured by the Federal Deposit Insurance Corporation, or its successor, or collateralized in accordance with this Policy.

C. AAA- rated, constant -d ollar Texas Local Government Investment Pools as defined by the Act andauthorized by resolution of the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors.

D. AAA- rated, SEC registered money market mutual funds striving to maintain a $ 1 net asset value.

E. FDIC insured, brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the Development Corporation of Mercedes' s safekeeping agent, not to exceed one year to maturity. Before purchase, the Investment Officer must verify the FDIC status of the bank on }_ __ to assure that the bank is FDIC insured.

F. FDIC insured or collateralized interest bearing and money market accounts from any FDIC insured bank in Texas.

Delivery versus Payment

All securities shall be purchased on a delivery versus payment (DVP) settlement basis. Funds shall not be released until receipt of the security by the Development Corporation of Mercedes's approved custodian. The custodian shall provide the Development Corporation of Mercedes with proof of ownership or claim by an original document delivered to the Development Corporation of Mercedes.

VIII. REPORTING

Quarterly Reporting

The Investment Officers shall submit a signed quarterly investment report to the governing body in accordance with the Act giving detail information on each portfolio and bank position and summary information to permit an informed outside reader to evaluate the performance of the investment program. The report will include the following at a minimum:

> A full description of each individual security or bank/ pool position held at the end of the reporting period including the amortized book and market value at the beginning and end of the period, Unrealized gains or losses (book value minus market value), Overall change in market value during the period as a measure of volatility, Weighted average yield of the portfolio and its applicable benchmarks, Earnings for the period, Allocation analysis of the total portfolio by market sector and maturity, and Statement of compliance of the investment portfolio with the Act and the Investment Policy signed by the Investment Officer(s).

Market prices for the calculation of market value will be obtained from independent sources.

IX. FINANCIAL COUNTER - PARTIES

Depository

At least every five years, a banking services depository shall be selected through a competitive request for proposal or bid process in accordance with the Texas Government Code 105. In selecting a depository, the services, cost of services, credit worthiness, earnings potential, and collateralization by the institutions shall be considered. If securities require safekeeping, the RFP /bid will request information on safekeeping services. The depository contract will provide for collateral if balances exceed the FDIC insurance balance, currently 250,000 per tax identification number.

All time and demand deposits in any depository of the Development Corporation of Mercedes shall be insured or collateralized at all times in accordance with this Policy.

Other banking institutions from which the Development Corporation of Mercedes may purchase certificates of deposit will also be designated as a depository for depository/collateral purposes.

All depositories will execute a depository agreement and have the Bank's Board or Bank Loan Committee pass a resolution approving the agreement if collateral is required.

Security Broker /Dealers

All pools, financial institutions, and broker /dealers who desire to transact business with the Development Corporation of Mercedes must supply the following documents to the Investments Officer(s).

- (if brokers) Financial Industry Regulatory Authority (FINRA) certification and CRD #
- (if brokers) proof of Texas State Securities registration
- policy review certification

Each pool /bank/ broker must be provided a copy of the Development Corporation of Mercedes' s current Investment Policy and certify to a review of the Policy stating that the firm has controls in place to assure only Policy approved investments will be sold to the Development Corporation of Mercedes.

A list of qualified broker /dealers will be reviewed at least annually by the Development Corporation of Mercedes Development Corporation of Mercedes Board of Directors. In order to perfect the DVP process the banking services depository, or its brokerage subsidiary, will not be used as a broker.

XI. COLLATERAL

Time and Demand Deposits Pledged Collateral

All bank time and demand deposits shall be collateralized above the FDIC coverage by pledged collateral. In order to anticipate market changes and provide a level of security for all funds, collateral will be maintained and monitored by the pledging depository at 102% of market value of principal and accrued interest on the deposits. The bank shall monitor and maintain the margins on a daily basis.

Collateral pledged to secure deposits shall be held by an independent financial institution outside the holding company of the depository. The collateral agreement with the depository shall be approved by resolution of the Bank Board or Bank Loan Committee. The Custodian shall provide a monthly report of collateral directly to the Development Corporation of Mercedes.

All collateral shall be subject to inspection and audit by the Development Corporation of Mercedes or its independent auditors.

Authorized Collateral

Only the following securities are authorized as collateral for time and demand deposits or repurchase agreements:

A. FDIC insurance coverage.

B. Obligations of the United States, its agencies or instrumentalities, or evidence of indebtedness of the United States guaranteed as to principal and interest including MBS and CMO which pass the bank test.

C. Obligations of any US state or of a county, Development Corporation of Mercedes or other political subdivision of any state having been rated as investment grade (

5.Discussion and Action: DCM Goals and Vision

Memo

To: DCM Board of Directors and City Commission

From: Melissa Ramirez, Executive Director

CC: File

Date: 8/10/2026

Re: DCM Goals and Vision

DEVELOPMENT CORPORATION OF MERCEDES

Mission Statement: Continuously energize the business climate that brings customers to existing business, encourages and supports new business and embraces homebuyers and developers to invest with us in Mercedes.

Strategy: Get Mercedes to be ***Noticed, Considered*** and ***Commitment***

A. ***Noticed***

1. Fresh attractive marketing campaigns
2. Targeted television campaigns
3. Targeted social media campaigns
4. Enhance the businesses in downtown through the Signage Grant Program
5. Maintain the downtown area
6. Community Marketing: Little Nashville, murals, Botas de Mercedes and GeoTours
7. Foster a positive relationship with Media
8. Strategic Sponsorship to market community resource partners such as the Livestock Show, Smoking on the Rio, Aurora House and Texas Street Festival
9. Revitalize Downton

B. ***Considered:***

1. Renew interest in Schwartz Holdings east of RGVPO
2. Market available DCM property
3. Projects in the pipeline as discussed in Executive Session

C. ***Commitment:***

1. Retail developments on the Expressway
2. Small businesses in the downtown

Recommendation: Will of the Board

6. Discussion and Action: FY26-27 IRP Budget

Memo

To: DCM Board of Directors

From: Melissa Ramirez, Executive Director

CC: File

Date: 8/13/2026

Re: IRP Budget

The USDA IRP portfolio currently funds the following loans:

Mario Castaneda- Delinquent
Gilbert Gomez- Delinquent
MD International- Delinquent

Please see the attached budget reflecting the market conditions as well as the portfolio's performance.

Note: The reserve account currently has a balance of $82,532.96. The IRP general account has a balance of $221,973.69.

Recommendation: Approve the IRP budget as presented.

FY26-27 IRP Proposed Budget

Intermediary : Development Corporation of Mercedes
Loan Fund # D04-IRP

		Previous Year (actual+est)	Proposed Year
Income			
	Interest from Sub-recipient Loans	211973.69	5000
	Interest from Deposits		
	Application Fees		
	Commitment Fees		
	Late Fees		
	Other:		
Total Income		**211,974**	**5,000**
Expenses			
	Employee Salaries		
	Employee Fringe Benefits		
	IRP-related Travel		
	Loan Processing/Closing Costs		
	Interest		
	Professional Services		
	Marketing		
	Staff Training		
	Bad Debt Allowance (Loan Losses)		10000
	Space (rent)		
	Audit/Accounting		
	Indirect Costs (Overhead)		
	Other:		
	Other:		
Total Expenses		**0**	**10,000**

Fund Sustainability

Total Proposed Fund Income	216,974
(-) Total Proposed Fund Expenses	10,000
I N S E R T Annual Principal Payment on IRP Loan	30848
Proposed Net Fund Income *(after Principal payment)*	**176,126**

PLEASE NOTE:

If Net Fund Income (after principal payment) is *NEGATIVE*, please consult with Rural Development before completing and submitting this annual budget for approval. Negative fund budgets can adversely impact the longterm viability of the fund.

Submitted by : ______________________________ Date : ____________

Name: Melissa Ramirez
Title: Executive Director

Approval : ______________________________ Date: ____________

Business Programs Specialist
USDA-Rural Development

7. Discussion and Action: DCM Lease

Lease Agreement Amendment

The Lease Agreement (this "Agreement) is made this 01 day of October 1, 2026 by and between MERCEDES AREA CHAMBER OF COMMERCE (Landlord) and the DEVELOPMENT CORPORATION OF MERCEDES ("Tenant"). Each Landlord and Tenant may be referred to individually as a "Party" and collectively as the "Parties".

1. Premises. The premises leased is an office building located at 320 South Ohio in Mercedes, Texas 78570, Hidalgo County (the "Premises"). Parking is not included with the Premises. There are three offices (rooms) and a lobby, break room and a meeting room.
2. Agreement to lease. Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord, according to the terms and condition set forth herein the Premises.
3. Terms. This Agreement will be for a term beginning on October 1, 2026 and ending September 30, 2027 (the "Term").
4. Rent. Tenant will pay Landlord quarterly rent of $6,000.00 for the Term. Rent will be due October 15, 2026, January 15, 2027, April 15, 2027 and July 15, 2027. Rent will be paid to Landlord's address provided herein (or to such other places as directed by Landlord) by mail or in person by one of the following methods: (cash, check or direct deposit) and will be payable in U.S. Dollars.
5. Additional rent. There may be instances under this Agreement where Tenant may be required to pay additional charges to Landlord. All such charges are considered additional rent under this Agreement and will be paid with the next regularly scheduled rent payment. Landlord has the same rights as Tenant has the same obligation with respect to additional rent as they do with rent.
6. Utilities: Tenant is responsible for payment of all utilities and other services for the Premises.
7. Use of Premises. The Premises will be occupied by Tenant and the Mercedes Area Chamber of Commerce and use lonely for business purposes. Tenant will not engage in any objectionable conduct, including behavior which will make the premises less fit to do business in, will cause dangerous, hazardous or unsanitary conditions or will interfere with rights of others to enjoy the property. Tenants will be liable for any damage occurring to the Premises and any damage to or loss of contents thereof which is done buy Tenant or Tenant's guest or invitees.

IN WITNESS WHEREOF, the Parties hereto, individually or by their duly authorized representatives, have executed the Agreement as of the Effective Date.

____DATE:____________________

Hector Rocha, Mercedes Area Chamber of Commerce Board President Landlord (Mercedes Area Chamber of Commerce)

____DATE:____________________

Melissa Ramirez, Development Corporation of Mercedes Executive Director Tenant (Development Corporation of Mercedes)

8. Discussion and Action: FY25-26 Budget Amendment #2

development corporation
mercedes
big boots. big opportunities.

Memo

To: DCM Board of Directors

From: Zefra Mascorro, Administrative Coordinator

CC: File

Date: 8/14/2026

Re: FY25-26 Budget Amendment 2

Sales tax revenue was amended to reflect market conditions to $2,429,390.28 an increase of $114,949.99. Interest for TX Class-Debt service was increased by $280,075.54 for Texas Class transfer to general fund to pay off the VTX Bond. Social Security was increased by $2,000; Legal increased by $17,260.00 for extra meetings, Meetings was increased by 900.00; Projects was increased by $114,949.99 due to an increase in sales tax revenue; Series 2007-Interest was decreased by $14,105 due to payoff; Series 2007-Principle was increased by $295,000.00 to account for $520,000.00 VTX Bond payout; Sponsorships was increased by $31,000.00 attributed to the $15,000.00 sponsorship of Scoreboard & $16,000.00 4th of July event sponsorship; water was increased by $100.00 for final payment.

Recommendation: Approve

Development Corporation of Mercedes
BUDGET AMENDMENT

FUND: **25**

BUDGET AMENDMENT# **2**

DEPARTMENT: **EDC**

DATE POSTED: **8/19/2026**

Fund	G/L ACCT#	DESCRIPTION	Approved Budget	(Decrease)	Add	Amended Budget
25	40040	Sales Tax	$ 2,314,440.29		$114,949.99	$ 2,429,390.28
25	44005	Texas Class- Debt Service	$ -		$ 280,075.54	$ 280,075.54
25	510-1120	Social Security	$ 14,300.00		$ 2,000.00	$ 16,300.00
25	510-2125	Legal	$ 45,000.00		$ 17,260.00	$ 62,260.00
25	510-2095	Meetings	$ 2,600.00		$ 900.00	$ 3,500.00
25	510-2335	Projects	$ 1,360,430.40		$ 114,949.99	$ 1,475,380.39
25	510-2355	Series 2007-Interest	$ 34,807.50	$ (14,105.00)		$ 20,702.50
25	510-2356	Series 2007-Principle	$ 225,000.00		$ 295,000.00	$ 520,000.00
25	510-2310	Sponsorships	$ 27,850.00		$ 31,000.00	$ 58,850.00
25	510-2160	Water Bill	$ 2,000.00		$ 100.00	$ 2,100.00

Zefra Mascorro, Administrative Coordinator

Approved:

Melissa Ramirez, Executive Director

Marcos Garcia, Board President

DEVELOPMENT CORPORATION OF MERCEDES
BUDGET FY25-26

SOURCES OF CASH		FY 25-26 BUDGET	FY 25-26 BUDGET AMENDMENT 1	FY 25-26 BUDGET AMENDMENT 2
TAXES				
25-40040	SALES TAX	$ 2,314,440.29	$ 2,314,440.29	$ 2,429,390.28
TOTAL TAXES		$ 2,314,440.29	$ 2,314,440.29	$ 2,429,390.28
MISCELLANEOUS				
25-44020	INTEREST- TXCLASS	$ 2,000.00	$ 8,500.00	$ 14,500.00
25-44026	INTEREST-L&G CONCRETE			
25-44027	INTEREST-MD INT'L (ORBIT)			
25-44041	LOAN PRINCIPAL PAYMENTS			
25-44097	CARRY OVER FUNDS	$ 260,665.39	$ 260,665.39	$ 260,665.39
	TXCLASS	$ 189,873.20	$ 189,873.20	$ 189,873.20
	TXCLASS Transfer EDC 2006 Reserve			$ 280,075.54
	INTEREST- ELIAS GONZALEZ			
	REAL ESTATE SALES			
	OTHER INCOME- CITY REIMBURSEMENTS			
	OTHER INCOME- CITY PMT MKTG	$ -		
	OTHER INCOME- CITY PMT VTX	$ 93,749.00	$ 93,749.00	$ 93,749.00
TOTAL MISCELLANEOUS		$ 546,287.59	$ 552,787.59	$ 838,863.13
TOTAL REVENUE		$ 2,860,727.88	$ 2,867,227.88	$ 3,268,253.41

DEVELOPMENT CORPORATION OF MERCEDES
BUDGET FY 25-26

USES OF CASH			FY 25-26 BUDGET	FY 25-26 BUDGET AMENDMENT 1	FY 25-26 BUDGET AMENDMENT 2	
PERSONNEL COSTS						
25-510-1010	SALARIES		$ 226,800.00	$ 226,800.00	$ 226,800.00	
25-510-1015	AUTOMOBILE ALLOWANCE					
25-510-1100	TMRS CONTRIBUTION		$ 42,000.00	$ 42,000.00	$ 42,000.00	
25-510-1120	SOCIAL SECURITY		$ 14,300.00	$ 14,300.00	$ 16,300.00	Increase $2000 for final payroll payments.
25-510-1140	UNEMPLOYMENT COMP		$ 2,200.00	$ 2,200.00	$ 2,200.00	
25-510-1160	HEALTH/LIFE INSURANCE		$ 21,460.00	$ 21,460.00	$ 21,460.00	
	VISION	$432				
	DENTAL	$184.32				
25-510-1180	WORKER'S COMP		$ 430.00	$ 430.00	$ 430.00	
25-510-xxxx	CELL PHONE ALLOWANCE		$ 600.00	$ 600.00	$ 600.00	
TOTAL PERSONEL COSTS			$ 307,790.00	$ 307,790.00	$ 309,790.00	
OTHER SERVICES & CHARGES						
25-510-2020	Audit		$ 8,000.00	$ 7,000.00	$ 7,000.00	
25-510-2012	Automobile Mileage		$ 2,000.00	$ 2,000.00	$ 2,000.00	
25-510-2014	Billboards					
25-510-2134	Bld Lease		$ 24,000.00	$ 24,000.00	$ 24,000.00	
25-510-2340	Chamber		$ 53,500.00	$ 53,500.00	$ 53,500.00	
	Texas Street Festival	$15,000				
	Dues	$5,000				
	Annual Banquet	$2,000				
	Little Nashville	$30,000				
	Mixers	$1500				
25-510-2011	Contract Labor- Writer		$ 6,000.00	$ 6,000.00	$ 6,000.00	
25-510-XXXX	Civic Serve		$ 12,000.00	$ 12,000.00	$ 12,000.00	
25-510-2102	Crime Insurance		$ 700.00	$ 571.00	$ 571.00	
25-510-2036	Dowtown Development		$ 70,000.00	$ 70,000.00	$ 70,000.00	
25-510-2165	Electricity		$ 4,700.00	$ 6,200.00	$ 6,200.00	
25-510-2142	Janitorial		$ 13,200.00	$ 13,200.00	$ 13,200.00	
25-510-2125	Legal		$ 45,000.00	$ 45,000.00	$ 62,260.00	Increase by $17,260 due to meetings.
25-510-2021	Loan Fees- EDC		$ 825.00	$ 1,425.00	$ 1,425.00	
25-510-xxxx	Leadership Empowerment Group		$ 12,000.00	$ 12,000.00	$ 12,000.00	
25-510-xxxx	Real Estate Closing Costs					
25-510-2010	Marketing & Promotion		$ 48,750.00	$ 48,750.00	$ 48,750.00	
	GeoTours	$3750				

	Social Media	$5000				
	Loopnet	$2000				
	GeoFence	$5000				
	Merchant Campaign	$6000				
	Murals	$15,000				
	Influencers	$10,000				
	Simple Text	$600				
	Marketing Collateral	$1,400				
25-510-2095	Meetings		$ 2,600.00	$ 2,600.00	$ 3,500.00	Increase by $900 for more meetings.
25-510-2130	Membership/Subs		$ 2,000.00	$ 2,000.00	$ 2,000.00	
25-510-2133	Miscellaneous		$ 1,500.00	$ 1,500.00	$ 1,500.00	
25-510-2080	Office Equipment- Lease		$ 4,500.00	$ 4,500.00		
25-510-xxxx	Outlet Mall Oct 2018-Oct 2028		$ 280,000.00	$ 16,633.92	$ 16,633.92	
25-510-2320	Professional Fees- Accounting		$ 21,000.00	$ 21,000.00	$ 21,000.00	
25-510-xxxx	Project Orchard Grove Apartments		$ -	$ -	-	
25-510-xxxx	Project RGV Livestock Show Park		$ 25,000.00	$ 25,000.00	$ 25,000.00	
25-510-2362	Project Rios of Mercedes		$ 51,400.00	$ 51,400.00	$ 51,400.00	
25-510-2365	Project VIDA		$ 15,000.00	$ 15,000.00	$ 15,000.00	
25-510-xxxx	Project Travel Center		$ 100,000.00	$ 100,000.00	$ 100,000.00	
25-510-2335	Projects		$ 1,195,136.38	$ 1,360,430.40	$ 1,433,800.93	Increase in Sales Tax revenue.
25-510-2144	Receptionist		$ 33,000.00	$ 33,000.00	$ 33,000.00	
	Receptionist $12,000					
	Health $2,000					
25-510-2355	Series 2007- Interest		$ 34,807.50	$ 34,807.50	$ 20,702.50	Decrease by $14,105 due to payoff.
25-510-2356	Series 2007- Principle		$ 225,000.00	$ 225,000.00	$ 520,000.00	Bond reserve.
25-510-2310	Sponsorships		$ 27,850.00	$ 27,850.00	$ 58,850.00	Increase $15k Scoreboard & $16k 4th of July event.
	Aurora House March	$1,100				
	Aurora House Gala	$2,000				
	Smokin' on the Rio	$12,500				
	RGV Livestock Show	$7,000				
	Newpapers in Schools	$250				
	Birding Classic	$0				
	RGVLS Fall Fest	$2,000				
	RGVLS Gala	$3,000				
25-510-2025	Telephones		$ 5,400.00	$ 5,400.00	$ 5,400.00	
25-510-2150	Travel & Training		$ 52,540.00	$ 61,140.00	$ 61,140.00	
	ICSC Texas	$15,500.00				
	ICSC Las Vegas	$27,100.00				
	Retail Live!	$8,540.00				
	Other	$10,000.00				
25-510-xxxx	VTX Note		$ 93,749.00	$ 187,500.06	$ 187,500.06	
25-510-2160	Water Bill		$ 2,000.00	$ 2,000.00	$ 2,100.00	increase by $100.00 for August & September.
25-510-2131	Website		$ 7,980.00	$ 9,230.00	$ 9,230.00	

TOTAL OTHER SERVICES & CHARGES			$ 2,481,137.88	$ 2,487,637.88	$ 2,886,663.41
MAINTENANCE					
25-510-2520	OFFICE EQUIPMENT		$ 10,000.00	$ 10,000.00	$ 10,000.00
25-510-2540	MAINTENANCE		$ 57,200.00	$ 57,200.00	$ 57,200.00
TOTAL MAINTENANCE			$ 67,200.00	$ 67,200.00	$ 67,200.00
25-510-3050	OFFICE SUPPLIES		$ 3,000.00	$ 3,000.00	$ 3,000.00
	Adobe Creative Cloud	$419.88			
TOTAL SUPPLIES			$ 3,000.00	$ 3,000.00	$ 3,000.00
CAPITAL OUTLAY					
25-510-4005	FURNITURE & FIXTURES		$ 1,600.00	$ 1,600.00	$ 1,600.00
TOTAL CAPITAL OUTLAY			$ 1,600.00	$ 1,600.00	$ 1,600.00
TOTAL 10-DEVELOPMENT CORP. OF MERC					
TOTAL EXPENDITURES			$ 2,860,727.88	$ 2,867,227.88	$ 3,268,253.41

9. Discussion and Action: FY26-27 Commercial Signage RFP

Memo

To: DCM Board of Directors

From: Zefra Mascorro, Administrative Coordinator

CC: File

Date: 8/14/2026

Re: FY26-27 Commercial Signage RFP

As we enter FY26-27 the commercial signage RFP needs to be renewed.

Recommendation: Discussion- Authorize staff to advertise the RFP for 30 days and review responses with Board at the next available meeting.

REQUEST FOR PROPOSALS

Notice to Bidders
DEVELOPMENT CORPORATION OF MERCEDES
MERCEDES, TEXAS
Commercial Signage

PUBLIC NOTICE

Notice is hereby given that the Development Corporation of Mercedes is soliciting bids for commercial signage for downtown merchants located on Texas Street in Mercedes, TX.

Specifications, and instructions to Bidders may be obtained via MercedesEDC.com beginning **Thursday, August 20, 2026**. A bid package set will also be available for viewing at Development Corporation of Mercedes at 320 S. Ohio, Mercedes, TX.

Sealed bids will be received by the **Development Corporation of Mercedes,** via **email** until **10AM** on **Monday, September 21, 2026,** and then opened, read, and taken under advisement. Bids will be for the furnishing of all necessary materials, machinery, equipment, labor, superintendence, and all other services and appurtenances required for the construction of commercial signage and shall include acknowledgement of any addenda submitted, and all other documents included in said bid call. No bids may be withdrawn after the scheduled opening time. Any bids received after scheduled bid opening time will be returned unopened. Said bid shall be marked:

"DCM Commercial Signage"

Should this solicitation fail to contain sufficient information in order for interested firms to obtain a clear understanding of the services required by the DCM, or should it appear that the instructions outlined in the solicitation are not clear or are contradictory, any interested firm may in writing request clarification no later than 1 p.m. on **Friday, September 18, 2026** via email (zmascorro@mercedesedc.com). Written requests from interested firms and written responses by the Development Corporation of Mercedes will be provided to all Applicants.

Development Corporation of Mercedes Issue for BID

Signage improvements must be compatible with the character and architecture of the individual commercial buildings as well as meet City standards with regards to latest construction and design trends. Buildings with significant architectural qualities are strongly encouraged to restore and maintain these features. Improvements for buildings not having such architectural features should still be carefully considered and be seen as an opportunity to substantially enhance the appearance of the buildings and their streetscapes.

1. Eligible Signage Improvements:

a. Visually appealing and appropriate City-approved signage, including monument signage, pole signage, electronic message boards and other signage as specified in the City's codes;

b. Lighting which is visually appealing and appropriately illuminates signage, storefront window displays, and recessed areas of a building

c. Must include appropriate mounting and electrical as required by the City

2. Signage Area

a. Downtown area as identified by the Development Corporation of Mercedes Board of Directors

b. The eligible area may expand by formal notice

3. Contractor must include examples of work as well as time frame to complete. A 6ft x 3ft example must be submitted.