



MINUTES OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING

On March 26th, 2026 the San Benito EDC Board convened for a meeting at the San Benito EDC Building, 701 N. Bowie Street, San. Benito, Texas

Board Meeting Presided by Mrs. Anna Garza Llanes, EDC President

Board Members Present

Mrs. Anna Garza Llanes, Board President
Mr. Daniel Cortez, Vice President
Mr. Tom Goodman, Secretary/ Treasurer
Mrs. Deborah A. Morales, Board Member
Mayor Ricardo Guerra, Board Member
Mr. Hector Gomez, Board Member
Mr. Pedro A. Galvan, Board Member – Arrived at 5:37pm

Board Member Absent

None.

EDC Staff Present

Mr. Fred Sandoval, Executive Director
Mr. Mario Palomo, Assistant Executive Director
Ms. Mariana Garcia, Administrative Assistant

Others Present

Mr. Michael Pruneda, EDC Attorney
Mr. Roy Garcia, Carpe Nox Industries LLC
Mrs. Maricela Aguilar, San Benito Housing Authority
Mrs. Laura Murillo, San Benito Housing Authority

1. Determination of a quorum

[Mrs. Anna Garza Llanes](#) made welcoming remarks and determined there was a quorum.

2. Call to Order

[Mrs. Anna Garza Llanes](#) called the meeting to order at 5:34 PM.

3. Pledge of Allegiance and Texas Flag Pledge; Invocation

[Mr. Mario Palomo](#) lead the Pledge of Allegiance and Texas Flag Pledge. [Mr. Tom Goodman](#) led the invocation.

4. Public Comments (if Any)

Mrs. Anna Garza-Llanes: Introduced Mrs. Maricela Aguilar and Mrs. Laura Murillo, of the San Benito Housing Authority. They want to ask the SBEDC Board to donate to the Bunny Bash Hunt that will be held on March 31, 2026. This item will be discussed in executive session and a decision and amount will be disclosed when the board reconvenes from the closed session.

Consent Agenda: The following are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the board of directors requests it, in which case the item will be removed from the Consent Agenda and considered independently.

5. Consideration and possible action on meeting minutes of December 11, 2025
6. Consideration and possible action on meeting minutes of December 19, 2025
7. Consideration and possible action on meeting minutes of January 22, 2026
8. Consideration and possible action on meeting minutes of February 5, 2026
9. Consideration and possible action on meeting minutes of February 27, 2026

Mr. Tom Goodman: Motion to approve consent agenda items 5 through 9. **Mr. Ricardo Guerra:** Seconded. **Mrs. Anna Garza Llanes:** All in favor: 7 All against: 0. Motion passes unanimously: 7-0

10. Consideration and possible action on Project Sgt. Hulka, including but not limited to professional services agreements for engineering and optional construction services of sewer line improvements, and acquisition of real property.

Tom Goodman: Pull out Item #10 of the consent agenda. **Mrs. Anna Garza Llanes:** Discuss in executive session.

Back from Executive Session:

Mr. Michael Pruneda: The recommendation is to approved the contract with the addition for engineering not to exceed 5 months and should the same engineer in the future, if the board opts to retain him for construction, he would not exceed 8 months unless we go out for other proposals. **Mr. Tom Goodman:** motion to approved by recommendation from Mr. Pruneda. **Mr. Daniel Cortez:** Seconded. **Mrs. Anna Garza Llanes:** By discussion of Legal Council not to exceed 5 months of the engineering and to expire in 8 months. Subject to the pipeline agreement being approved by the City Commission. All in Favor: 7 Anyone Opposed: 0, motion passes unanimously (7-0)

Closed Session: In Accordance with Chapter 551 of the Texas Government Code, the Board of Directors hereby gives notice that it may meet in a closed, non-public session to discuss matters in accordance with the following:

Pursuant to §§551.071 and 551.129, the Board of Directors may convene in a closed, non-public meeting with its attorney and discuss any matters related to legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter:

- a. Discussion with legal counsel on Project Sgt. Hulka, including but not limited to professional services agreements for engineering and optional construction services of sewer line improvements, and acquisition of real property;
- b. Discussion with legal counsel on agreement with The Atkins Group;
- c. Discussion with legal counsel on status of the following litigation: 2024-DCL-02377 & 13-25-00016-CV; 2025-DCL-02864; 2025-DCL-02905; and 2023-DCL-04368
- d. Discussion with legal counsel on amendment of Bylaws

Pursuant to §§551.072, the Board of Directors may convene in a closed, non-public meeting to discuss any matter related to real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the Board of Directors and a third party in an open meeting;

- a. Discussion with legal counsel on Project Sgt. Hulka, including but not limited to professional services agreements for engineering and optional construction services of sewer line improvements, and acquisition of real property

Pursuant §§551.074, the Board of Directors may convene in a closed, non-public meeting to discuss any matter related to appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee:

- a. Discussion on water line extension project

Pursuant to §§551.087(1-2), the Board of Directors may convene in a closed, non-public meeting to discuss any matters regarding economic development issues;

- a. Discussion on water line extension project

Entered Closed Session: 5:41 pm
Returned from Closed Session: 8:34 pm

RECONVENE from Closed Session.

INDIVIDUAL AGENDA ITEMS:

11. Consideration and possible action on sidewalk repair and ADA wheelchair entrances on Travis and Robertson

Mrs. Deborah Morales: This was brought to my attention by a business owner who has a child who uses a wheelchair. I would like for the board to consider making this corner ADA compliant. Not just for this person, but for anyone who attends the Market Days. **Mrs. Deborah Morales:** Motioned **Hector Gomez:** Seconded **Mr. Daniel Cortez:** I have a question, this letter was sent to the City of San Benito. Does the City of San Benito want us to help them, or to pay for the entire project? **Mr. Fred Sandoval:** a point of order and I appreciate Commission Morales's concern. There is lot things that can be handled administratively, either me as a city manager or me as your executive director. I would ask respectfully that any one of you wants to put something on the agenda, please come and see me first before you put it on the agenda so staff can be prepared. I have a lot of questions, I have legal issues I would like to discuss. I am all for repairing Robertson Street and giving ADA access, but does this put us in liable issues for the rest of streets and the rest of the corners? Are we going to have to repair the rest of them? How else are we going to deal with the issue on the same street? Are we going to prioritize only ADA issues and not land owner or renter issues? What is our legal exposure to this? Nothing was brought to the City but to the Commissioner (Morales) so I do not have an answer. The City is not asking for this. I would like to at this point to include this as an engineering project. We can bring back a solution that is more inclusive and probably better for all residents, not just for one corner. I respectfully ask that you let me work through it with you so we can better craft these items and see if they even have to be put on the agenda. **Mrs. Deborah Morales:** I witnessed it. As a person, as a mother, this becomes a concern to me that they could not get up to the sidewalk. I respect Fred, having go through you and I am fine doing that. **Mr. Pedro Galvan:** Does the EDC have a budget for Robertson Street. **Mr. Fred Sandoval:** I believe we do not, but we have an item to improve sidewalks. If you allow me I can include this in that project. Cause that money has already been approved. **Mrs. Deborah Morales:** I looked at the budget for EDC and maybe we have something there that we can use. **Mr. Fred Sandoval:** I understand the request, the only thing is like I said, this is probably going to be done. I need to check with my public

works staff to make sure. because that was one of the big issues we were talking about, uniformity. ADA compliance. This could very well be that this is going to be done as part of that larger project. I would ask that you allow me to dig into this a little bit and bring you back a report. **Mrs. Anna Garza Llanes:** We have CDBG that we have funded before, I know that this is being used on Diaz Street, but it is something that we could have worked on and taken care of without having to come here. **Mr. Pedro Galvan:** Well, we have a motion and a seconded. **Mr. Fred Sandoval:** We do have a Safety Streets for All grant, we can use some of these dollars from EDC to actually supplement that. **Mrs. Deborah Morales:** It's that we are lacking in ADA compliance all across the board, whether we are looking at parks, sidewalks, this is something that we need to start bringing up to par. **Mr. Pedro Galvan:** I own property on Robertson street, is this a conflict of interest. **Mr. Michael Pruneda:** This is an indirect benefit, so no conflict of interest. **Mrs. Anna Garza Llanes:** Instructed Mr. Sandoval to provide an update on solution asap.

Mrs. Deborah Morales: Motions. **Mr. Hector Gomez:** Seconded. **Mrs. Anna Garza Llanes:** All in Favor: 2 – Gomez, Morales All Opposed: 5 – Llanes, Cortez, Goodman, Guerra, Galvan: motion fails: 2-5. A discussion ensued to clarify the vote, Mr. Pruneda informed Board President Llanes that she could pole the board individually. **Mrs. Anna Garza Llanes:** Poled the board: Yays: Morales, Gomez; Neys: Guerra, Llanes, Goodman, Galvan. Yays: 2, Neys: 5 – Motion denied. Board instructed Executive Director to provide a report so we provide a solution that can assist the business owner's son with the physical hardship.

12. Consideration and possible action on professional legal services agreement with The Pruneda Law Firm PLLC

Mr. Pedro Galvan: This is an item that Commissioner Morales and myself put on the agenda to just do a refresher. We had directed City Manager/EDC Executive Director to have a discussion on contract rate. Was a proposal returned from either party? Last meeting we directed EDC Director Mr. Fred Sandoval to a negotiation of fees, fee structure, retainer, and litigation, hourly rate. **Mr. Fred Sandoval:** Hourly rate for litigation. **Mr. Pedro Galvan:** Did the Pruneda Law provide anything on this, no? Motion to table until we get a proposal. **Mrs. Deborah Morales:** Second. **Mrs. Anna Garza Llanes:** Motion to Table? All for: 7. All against: 0. motion passes: 7 - 0 Item tabled.

13. Consideration and possible action on agreement with The Atkins Group

Mr. Tom Goodman: Motion to table pending a presentation by the Atkins Group. **Mr. Hector Gomez:** Seconded **Mrs. Anna Garza Llanes:** All in favor: 7 All against: 0. Motion passes unanimously: 7 - 0

14. Consideration and possible action on Bunny Bash Egg Hunt on March 31, 2026 by the Housing Authority

Mrs. Maricela Aguilar: Will have the Bunny Bash on Tuesday between 4 – 6 pm at the Hermosa Development. That will be all our developments coming together. La Hermosa Development, La Vista Park Development, and the Stoneridge Development. This is to recognize and to have a little fun for the children and their families. We will be having games, food, and the entire SBHA team will be attending. Crafts and lemonade stand. We are seeking \$250.00.

Mr. Tom Goodman: Motion to approve \$250.00 expenditure for Bunny Bash Egg Hunt on March 31, 2026. **Mr. Daniel Cortez:** Seconded. **Mrs. Anna Garza Llanes:** I am abstaining because I am a board member for the SBHA. All in Favor: 6. Anyone opposed: 0. Motion passes unanimously: 6-0 1: Abstention: Garza-Llanes

15. Consideration and possible action on the purchase of ATVs from F&T Valley Motors

Mrs. Deborah Morales: Fred, as we discussed previously, I don't want to ever feel that we walk into a business where we own them money or they feel like we owe them something. Especially when its be said that we are going to purchase something. This was in the budget and this was discussed previously that we were going to purchase the ATV's because of the summer concert series. There was money put aside in our budget for it, I believe it was \$60,000.00 I would like to instruct you to go and build up that relationship with F&T. We need to reach out to them, Im sure there is a reason why we did not, we need to make sure that we start helping our businesses, not hurting them. **Mr. Fred Sandoval:** I will get to the bottom of it, obviously there was some miscommunication, I will get to the bottom of this. **Mrs. Anna Garza Llanes:** Are we going to table this? **Mrs. Deborah Morales:** I would like to table this and to

get feedback from Mr. Sandoval after a discussion with F & T Motors and negotiate to see if we can purchase them again. **Mr. Pedro Galvan:** Seconded **Mrs. Anna Garza Llanes:** Mrs. Morales is tabling based on the purchase of ATV and our EDC Director getting with F & T Valley Motors and bringing back an update. Seconded by Mr. Galvan. All in favor: 7. All opposed: 0. Motion passes unanimously: 7-0

16. Consideration and possible action on amendment of Bylaws

No Action

17. Consideration and possible action on amendment of the 2025-2026 budget

Mrs. Deborah Morales: Make a motion to do a budget workshop. **Mr. Pedro Galvan:** Second – A mid-point budget review. **Mr. Daniel Cortez:** Can we combine item 16, 17, and 20 into a workshop. **Mr. Michael Pruneda:** you would need to recind my motion. **Mr. Pedro Galvan:** I recind my second. **Mrs. Deborah Morales:** Make a motion to put Item 16 Bylaws, 2025 -2026 Budget amendments. **Mr. Pedro Galvan:** Seconded. **Mrs. Anna Garza Llanes:** motion to do a workshop of budget review (by-law review) and also to take a look at our 25-26 Budget. Motioned by Mrs. Morales, seconded by Mr. Galvan. All in favor: 7 Anybody opposed: 0 motion passes unanimously: 7-0

18. Consideration and possible action on membership funding request by the San Benito Chamber of Commerce

Mr. Fred Sandoval: this the same request that was submitted last year by Chamber of Commerce. The plan last year and the same plan this year to split the \$37,000.00 into one half paid by the EDC and one half paid by the City. This equals to \$17,500.00 for each entity. I got the request for the city portion on the April 7 City Commission Meeting Agenda. Talking to the new board president, Ms. Velma de los Santos, their budget year start differently than our's so obviously so they are a little bit behind on some of the events and some of the monetary requirements so she is requesting that at this time. \$10,000.00 is for the membership and \$7,500.00 goes to the events. Next one up is the "Sabor de San Benito" and that one is coming up on "Cinco de Mayo" so that's the request. **Mr. Daniel Cortez:** motion to fund the request for the San Benito Chamber of Commerce. **Mrs. Deborah Morales:** Seconded. **Mr. Tom Goodman:** I would like to organize a workshop with the Chamber of Commerce. **Mr. Daniel Cortez :** Let me amend my motion, motion to fund the request and also to direct the EDC Director to direct his staff to set up a workshop with the chamber. **Mrs. Anna Garza Llanes:** a motion has been made. **Mrs. Deborah Morales:** I will recind mine and second his motion. **Mr. Fred Sandoval:** Just to be clear for the record madam president, the workshop does not hinder us processing the request, right? **Mr. Daniel Cortez:** no. **Mr. Fred Sandoval:** That's all I needed. **Mrs. Anna Garza Llanes:** All in favor: 7 Anybody opposed: 0, motion passes unanimously: 7-0. **Mr. Michael Pruneda:** I need clarification on the last one, there was to approve the funding as recommended by Mr. Sandoval, but then there was a rescision and a motion by you to have a workshop with the chamber of commerce, but there was no vote to approve the distribution. **Mr. Daniel Cortez:** the motion was to fund the chamber and to direct the EDC Director **Mr. Michael Pruneda:** I must have missed that part. **Mrs. Anna Garza Llanes:** Mr. Cortez motioned to fund the chamber of \$17,500.00, and not conjunction to that, its not gonna uphold it or anything. We do want a workshop and Mr. Sandoval and Mr. Palomo will work to get that done. Motion by Mr. Cortez, and seconded by Mrs. Morales, everybody is in favor? Yes – 7 , Anyone opposed: 0 – motion passes unanimously: 7-0

19. Consideration and possible action on workforce readiness program for city staff and eligible single-family residents

Mr. Fred Sandoval: Madam President, if you recall the last time, I think what was requested by Commissioner Galvan was a KPI report showing outcomes were and how this worked out for our city staff. Diana has shared that with the members of the board. To bring back to the Agenda, this is the report. We only did it with city staff. We do have a new cohort that is ready. This is a budgeted item, so if you have any questions we can take it on at this time. **Mrs. Anna Garza Llanes:** this is a budgeted item where, on our budget. **Mr. Fred Sandoval:** Yes. **Mrs. Deborah Morales:** \$160,000. **Mr. Fred Sandoval:** No its less, I think we only budgeted \$50,000.00 or 60,000 . **Mrs. Anna Garza Llanes:** where. **Mrs. Deborah Morales:** under what. **Mr. Fred Sandoval:** it's under training. **Mrs. Anna Garza Llanes:** and it's going to cost how much? **Mr. Fred Sandoval:** it's \$3,800.00 a seat, what ends up happening, once the employee finishes the training, they have we have the option to either give they earn ownership of the laptop or we keep the laptop and use it for city business. That's basically half the cost right there, this last cohort we kept all the laptops, were using them for different purposes. The real outcome is tif hey successfully complete everything, they keep

ownership of the laptop. Mrs. Anna Garza Llanes: how many, is it in here? Mrs. Deborah Morales: Is this the EDC program workforce training, is that what this is under. Mr. Fred Sandoval: yea ma'am. Mrs. Deborah Morales: thats \$160,000.00. Mr. Fred Sandoval: We added I guess, but it's not all for that, it was workforce and the WRK Mrs. Anna Garza Llanes: So how much was spent? Mr. Fred Sandoval: last time around I believe we had 6. Mrs. Diana Garza: the prior program was 6 employees. Mr. Fred Sandoval: 6 times the \$3800.00, this year we wanted to expand on it a little bit, cause we did have some interest from the school district. Maybe some eligible parents. Mrs. Anna Garza Llanes: Are we not putting up for the public, or is it just for the school district? Mr. Fred Sandoval: no, we have not made that move yet because we have not had it approved yet. But yeah we can. Mrs. Anna Garza Llanes: I'm asking because you saying school district and I'm like where's the public in all this? Mr. Daniel Cortez: It's the parents from the school district. Mrs. Anna Garza Llanes: parents, so how much is each. Mrs. Deborah Morales \$3,800.00. Mr. Fred Sandoval: \$3,800.00, that's correct. Anna Garza Llanes: \$15,200.00 was spent because there was two employees that did not complete the program. Do you still have to pay the \$3,800.00? Mr. Fred Sandoval: yes ma'am. Mr. Daniel Cortez: did we keep those two computers? Mr. Fred Sandoval: we kept them all. . Anna Garza Llanes: \$22,800.00, why did they not complete? Mrs. Diana Garza: they exceeded the year, they have a year to complete the program. Mrs. Anna Garza Llanes: and they did not complete the program. Mrs. Diana Garza: they exceeded the time allowed. Mrs. Anna Garza Llanes: were they told? Mrs. Diana Garza: yes, they were informed that the time allotted to complete the program was expiring. Mrs. Anna Garza Llanes: and what happened. Mrs. Diana Garza: they just could not finish. Mr. Tom Goodman: they choose not to complete. Mrs. Anna Garza Llanes: and were thinking of how many? Mr. Fred Sandoval: the minimum 5. Mr. Daniel Galvan: who selects the cohort? Mrs. Diana Garza: We ask HR and we talk to Directors to see if they have any staff that are showing interest and are capable of taking on the program. Mr. Fred Sandoval: its just a way to promote from within and give them the tools to do so. Mr. Tom Goodman: It's a good program. Mrs. Anna Garza Llanes: \$19,000.00, it's going to cost, mas or menos? Mr. Fred Sandoval: it's \$3800.00 per student Mrs. Anna Garza Llanes: at 5 is \$19,000.00. Mr. Fred Sandoval: yeah it may be more that 5, I do not want to commit to 5 and its 7 or 6. Mrs. Anna Garza Llanes: When do they have to sign in? When does this start? Mr. Fred Sandoval: It starts when the board approves it. No start date or end date, whenever that particular student or in this case employee get delivered the laptop, gets onboarded, and get all the training done to deal with Mr. Daniel Cortez: it's a year from whenever they start. Mr. Fred Sandoval: it's a year from the day they start, correct. Mrs. Deborah Morales: Is there a limit on how many individuals, or just leave it open? Mr. Fred Sandoval: We have a budgetary limit because I capped it at Mrs. Deborah Morales: capped it at \$160,000.00. Mr. Fred Sandoval: I do not think we were meant to do 160k, I wanted to cap it at \$60,000.00, cause the \$100,000.00 was going to be for something else. Mrs. Deborah Morales: How much did you say Madam President that it was going to be if we did, Mr. Pedro Galvan: \$19,000.00 for 5. Mrs. Deborah Morales: \$19,000.00 for 5 Mr. Fred Sandoval: for 5 is \$19,000.00. Mr. Tom Goodman: what are you needing approval for then? Mrs. Diana Garza: to expand the program to single family and to approve the next funding. Mr. Tom Goodman: motion to approve Mrs. Anna Garza Llanes: but wait a minute, what is the single family, does it have to be based on income? What does it have to be based of off? Mrs. Diana Garza: that's up to the board. Mrs. Anna Garza Llanes: whats the criteria. Mrs. Diana Garza: whatever you want it to be. Mr. Fred Sandoval; we will put out some minimal guidelines and advertise it and see how many people step up. Mr. Daniel Cortez: if we have 50 people show up, are you going to be able to assist them. Mr. Fred Sandoval: no Mr. Pedro Galvan: I have a suggestion, I know the Boy's and Girl's club were doing some type of training for the parents and were able to complete classes there on there computers there. Maybe we can fund it through them and they can take care of it already and we fund them? Or another option I think it's good is maybe the kids that are about to graduate San Benito High School wanting not to go off to college maybe wanting to do something good for their community this will be a stepping stone for them to go into city government. Mr. Fred Sandoval: They use that a lot, especially for that, for kids that do not want to go to college. Mrs. Anna Garza Llanes: the school has resources, they have culinary, welding, they have so many things, EMT, they have all sorts of stuff. Mr. Fred Sandoval: I would like to limit this to 10 city employees at this point and we will worry about the rest later. We do have extra money, lets see how the 5 and 5 cohort goes and I will bring it back to you all. Mrs. Anna Garza Llanes: We need to take off here eligible single family resident Mr. Fred Sandoval: we can amend the program. Mrs. Anna Garza Llanes: yes or no, Mr. Pruneda. Mr. Michael Pruneda: you all can limit it as much as you want. Mr. Tom Goodman: motion to approve the continuation of the program, to extend up to 10 city employees this round of the program. Mr. Daniel Cortez: so no residents allowed? Mr. Tom Goodman: not at this point. Mr. Fred Sandoval: let me come back with some guidelines for you all, I agree I think we need some guidelines. I do not want to overstep into school district territory. Mrs. Anna Garza Llanes: In this case, lets just table it and you come back with some guidelines. Mr. Fred Sandoval: we want to move on it Madam President because we have some employees that have been waiting a month. Mr. Ricardo Guerra: Seconded. Mrs. Anna Garza Llanes: how many employees are waiting,

Mr. Fred Sandoval: around 4 or 5 that are interested right now. Mr. Pedro Galvan: motion up to 10, Mayor up to 10? Mr. Ricardo Guerra: Yes. Mr. Pedro Galvan: thank you EDC for investing in city employees. Mrs. Anna Garza Llanes: motion has been made done Mr. Goodman to start up to 10 city employees for this first round. Mr. Tom Goodman: for this next round. Mrs. Anna Garza Llanes: for this next round. Seconded by Mr. Guerra,. all in favor:4 Galvan, Guerra, Gomez, Goodman, anybody opposed: 3 Llanes, Cortez, Morales, motion passes: 4-3

20. Consideration and possible action on evaluation of the Executive Director

No Action

21. Consideration and possible action on agreement with The Atkins Group

No Action

22. Consideration and possible action on litigation:

- a. 2024-DCL-02377 & 13-25-00016-CV;
- b. 2025-DCL-02864;
- c. 2025-DCL-02905; and
- d. 2023-DCL-04368

No Action

5. Meeting Adjournment

The meeting was adjourned at 9:12 PM.

Approved this 12 day of June 2026.

Anna Garza Llanes, President	Tom Goodman, Secretary/Treasurer