MINUTES OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING

On August 10th, 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. Esteban Rodriguez, Vice President
Mrs. Erica G. Guerra, Secretary/Treasurer
Mr. Hector Gomez, Board Member
Mr. Rogelio Nunez, Board Member
Mr. Renato Rodriguez, Board Member
Mr. Ricardo Guerra
Mayor Pedro A. Galvan, Ex Officio

Board Member Absent
None

EDC Staff Present
Mr. Mario A. Palomo, Assistant Executive Director
Ms. Desitny Zamora, Administrative Assistant

Others Present
Mr. Michael Pruneda, EDC Attorney
Mr. Carlos Yerena, Interim City Manager, City of San Benito
Mr. Alex Salinas
Mrs. Stephanie Sarrionandia, Finance Director, City of San Benito
Mrs. Zulema Hernandez, Assistant Finance Director, City of San Benito

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 5:30 PM.

3. **Pledge of Allegiance and Texas Flag Pledge; Invocation**

   Mr. Mario Palomo lead the Pledge of Allegiance and Texas Flag Pledge. Mrs. Anna Garza Llanes led the invocation.

4. **Public Comments (if Any)**

   Mr. Alex Salinas, Board of Director for the San Benito Boys and Girls Club**:** The organization is holding our 2nd Annual Roots and Boots Gala. The funds raised will cover anything that consist of expenses, sponsorships throughout the year. Last year we raised almost $65,000.00 and the goal is to equal or exceed the amount. This year we have selected our Mayor, Pedro Galvan as the Norma Boland Champion for Youth Honeree. We want to recognize Mayor Galvan for being an advocate of this organization and the community. Last year the EDC was a $1,000 Buckle sponsor and we are asking the

Board to approve last years sponsorship amount or consider a Boot or Saddle sponsorship. As a past board member of the EDC and I know that great work that you do for the community. I feel that this is another great event that the EDC can participate in to help the community, especially the children who are the future of the community. Thank you for your consideration.

Mrs. Anna Garza Llanes: Thank you Mr. Salinas. Thank you for your service as a board member and EDC President during your term. I also want to recognize Interim City Manager Carlos Yerena and Chief Financial Officer Mrs. Stephanie Sarrionandia and the Finance Department Assistant Finance Director Mrs. Zulema Hernandez.

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 July 01, 2026

   A motion to approve was made by Mr. Esteban Rodriguez and seconded by Mr. Ricardo Guerra. All in favor: 7 All opposed: 0 Motion passes unaminously: 7 - 0

6. Consideration and possible action on SBEDC Budget for General Fund and other accounts effective for FY October 1, 2026 – September 30, 2027

   Mr. Rogelio T. Nunez: stated that he wanted EDC Assistant Executive Director Mr. Mario Palomo to provide his thoughts on the proposed budget and he also requested COSB Chief Financial Officer Mrs. Stephanie Sarrionandia to provide her prospective.

   Mrs. Llanes: asked Mr. Nunez if there was a specific concern.

   Mr. Nunez: stated that he would like to expand on those brief discussions held at this afternoons budget workshop on particular items. Why some proposed budgeted items amounts were the exact amounts as the previous years adopted budgeted amount. I want to see a more detailed description for each general ledger account funded and asked who decides when it gets on the consent agenda, who decided that item 5 & 6 were a consent agenda item.

   Mrs. Llanes: stated that because we had a budget workshop on it, that is why it was done this way so we would not take too much time discussing it in this meeting. But if you have questions we would be glad to discuss them. If a budgeted item needs to change during the fiscal year, we can do so at that time. We can make a recommendation as a board and we can have a consent at that time. We do not have an executive director at this time and when we appoint one, maybe you will see the difference and that is why this happened. Is this what happened Mario?

   Mr. Palomo: Yes Madamn Chair. A reference about account balances carrying over, they do not. The budget is practible, equitable. When you ask if the budget is healthy, the proposed budget provides the funding that we need to execute what we are planning for the next fiscal year.

   Mr. Nunez: Asked the CFO Mrs. Sarrioinandia how the EDC budget and City budget overlap or compliment or questions you might have as the CFO about the budget.

   Mrs. Llanes: Stated that the question Mr. Nunez asked CFO Mrs. Sarrionandia might not be the right question. I am wondering about the question you are asking because we set the budget and we do not get permission from the CFO. The actual approval comes from the city commission and if the commission has gone to the CFO with a proposed budget issue, then maybe that can be considered and we can change it at that time. Mr. Michael Pruneda could you advise us on that?

   Mr. Michael Pruneda: I think it's fair for her to be asked questions about how it was prepared or what if anything is being carried over or not being utilized. It is a fair question, but I believe Ms. Llanes is correct this board sets the agenda and if its finally approved by this board, it needs to be approved by the elected governing body.

   Mrs. Stephanie Sarrionandia: Stated that the EDC budget itself is not what the CFO does and proceeded to discuss an overall review of the proposed budget. Stating that the first page and second page is the snapshot of what your budget looks like, so it has a listing of your revenues followed by a listing of your expenses and the rest of the budget is intended to give you a detail of the line items. The sources of revenue and the main source comes form the city sales tax. All the sales tax the city receives, 25% comes to the EDC. 75% stays with the city. I want to point out the other revenue sources, those are really your fund balance. Your using 4.4 million budget when in 23-24 the EDC was using 2 million budget so something did change from '24 –'25 to '25 – '26. The latest EDC sales tax collected is about $1.6 million. Normally, you would try to spend what you collect and try to add to the fund balance.

Mrs. Llanes: What is the balance that we have?

Mrs. Sarrionandia: About 5 million

Mrs. Llanes: How much have we spent?

Mrs. Sarrionandia: $850,000. The EDC has not even spent a million for a 4 million budget. If you want to amend the budget, we do it in February, this allows departments to review there budget needs and ask for more funding if necessary and the request will go to the city council for discussion and to render a decision. When it comes to your budget, this budget is an introduction. After here, this item goes to the city and is added to the city commission and its for them to approve and goes hand in hand with the city's budget. So when they approve the first reading of the budget, they will approve the first reading of the EDC. That is why it was important for it to be brought up and discussed here before it gets there. This one that your are looking at was already provided to them at budget workshop #2 Mr. Palomo. He put it together for them to have something to refer to. He was there to available to answer questions.

Mrs. Llanes: I think we made an amendment to move some of the monies over that we had from the fairgrounds. Did that get approved?

Mrs. Sarrionandia: Yes

Mrs. Llanes: We moved that money for projects that I cannot disclose. Mr. Nunez, do you have any additional questions for CFO Mrs. Sarrionandi?

Mr. Nunez: Not at this point the reason we have budgeted 4 million, we are looking at future endeavers that is why we are allocating this money. We cannot disclose at time beause it is in process.

Mrs. Llanes: We leave it the way it is, if we need to change it then we will.

Mrs. Llanes: Do I have a motion to approve Item #6? Motioned by Mr. Esteban Rodriguez. Do I have a second: Second by Mrs. Erica Guerra. All in favor: 6 (Llanes, E. Guerra, E. Rodriguez, R. Rodriguez, Gomez, R. Guerra) Anybody opposed: 1 (Nunez). Motion Passes: 6 -1

7. Consideration and possible action on professional services agreement(s) for IT, including but not limited to authorizing the payment of pending invoice for services provided.

Mr. Michael Pruneda: Madamn Chair we have Mr. Tony who has been providing services to date. He has not submitted an invoice and I believe he is working on that as we speak, but I do have 2 contracts that I have drawn up for him and Ricardo Trevino for IT services. The Board has the option of retaining both of them. Mr. Antonio Yanez is going to be perfoming IT services for the EDC at $3,000 a month. This is part of the agreement that he has reached with the EDC tentatively. He will be here in person 3 days out of the week. Mr. Trevino has provided us with the option of retaining him daily, weekly, or monthly. Mr. Trevino has ageed to be a sit-in whenever Mr. Yanez is not available for an hourly – ($150), daily – ($350), weekly($950) rates as needed. He will not perform any services unless he is assigned task.

Mrs. Llanes: Informed the board that Mr. Yanez is updating the I pads that will be assigned to each board member. Each I pad will contain documents that pertain to the EDC. Mr. Yanez is also uploading all the EDC's incientive program applications so the people can look at the programs and know what is required, etc.

Board members discussed if the IT candidtates submitted information detailing biography, profiles, etc. Concerns about previous venders not meeting objectives was the reason why this board is wanting to view the applicants profiles,etc. A recommendation was made to obtain this information for any future professional service contracts.

A conversation by board members discussing unpaid invoices for IT support.

Mrs. Llanes: asked CFO Mrs. Sarrionandia to review them to see if they had been paid.

Mrs. Sarrionandia: stated that when the city hired Mr. Trevino, it was understood because the CM/EDC Executive Director were the same person they hired him and they were treating him as a component unit of the city so his services were supposed to be in conjunction with the city. I spoke back then to former CM/EDC Executive Director. They were assisting the EDC up to December '25. As long as I have been here, the EDC has never had a lot of activity so they would piggy back whoever the city had as IT . I had a conversation with Mr. Sandoval and asked if they are going to have their own agreement with the EDC or are they going to piggy back of the city agreement. Back them the CM/ EDC ED said the one for December '25 will be the last one were paying this individual right here.

Mrs. Llanes: of 2025?

Mrs. Sarrionandia: Yes, and then he will do it as part of the agreement we have at the city. We did not receive any invoice for any of the invoices that are here, we did not receive them as charged because they were supposed to have been part of the city contract. We were paying this gentleman if I recall correctly $5,900 a month to do the EDC for the City.

Mrs. Llanes: Did we have an agreement?

Mrs. Sarrionandia: Yes, the agreement was there but it did not specify. It did, the agreement expired as we are finding out back in May '26.

Mrs. Llanes: What about those that are previous?

Mrs. Sarrionandia: The contract expired in June and the last bill we paid was May

Mrs. Llanes: Those are dated when, I saw…

Mrs. Sarrionandia: March, this is August.

Mrs. Llanes: August of '25?

Mrs. Sarriionandia: '26. This is April '26. I am sorry, because these were printed out in August but are for April, I was looking at 2 different dates. So March, April, June, there is none, July. So what I have here and what we paid him

Mrs. Llanes: I think the March, those that were prior to the termination and I do not know what you all had over there with the city and how he was interlock with the city and the EDC because of the previous

Mrs. Llanes: Asked Mr. Pruneda if we ever had an agreement Ricardo Trevino?

Mr. Pruneda: No… Did he get paid submit invoices for services rendered to the San Beito EDC at the city and he was paid at the city? That needs to be in the minutes here. Did he get paid and is he attempting to submit another bill when he was already paid.

Mrs. Sarrionandia: He would come in and do the service and he would not bill for anything

Mrs. Llanes: : These are invoices for services that were rendered to EDC. I feel like they are not consecutive because you said March, you said May right, there not consecutive billing

A discussion between board members and a board member asked if this was an agenda item.

Mr. Pruneda:Mario, what has Richie done here for the EDC Board?

Mr. Palomo: He has worked with the website, he cleaned up quite a bit of wi-fi, he has done work here.

Mr. Pruneda: There's been information that has been given to this board that Richie already been paid for the invoices that we have given to the board of the directors. They are cases involved

Mr. Palomo: I cannot answer that question because I do not know how that transaction works. Whatever comes through here and the invoices we get is what we get charged.

Mr. Pruneda: Has he performed services for the EDC.

Mr. Palomo: Yes he has

Mr. Pruneda: Did the city pay for EDC services?

Mr. Palomo: How would I know that?

Mr. Renato Rodriguez: Has a check been officially made for the services rendered, yes or no

Mrs. Sarrionandia: For these services

Mrs. Llanes: No

Mrs. Sarrionandia: I believe so

Mrs. Llanes: But if they are dated in March, and you said you stop paying in since …

Mrs. Sarrionandia: Up to June when his contract finished

Mr. Esteban Rodriguez: This is March 2026.

6.
7. authorizing the purchase of a canopy and marketing supplies

Mrs. Anna Garza Llanes: Consideration and possible action authorizing the purchase of a canopy and marketing supplies

Mr. Rogelio T. Nunez: I just need details. What is canopy for and what are the marketing supplies for? It's just random there for me, it's my first time here. What's the canopy for?

Mrs. Anna Garza Llanes: We do not have a canopy and lately all the ribbon cuttings that we have had have been out in sun.

Mr. Daniel Cortez: Ribbon cutting and special events we go to we have nothing to advertise the EDC, no banner. The canopy would have the logo and just to advertise EDC.

Mr. Daniel Cortez: Marketing supplies, it's going to consist of ribbon cutting for venders who do not join the chamber. They keep calling, can you do a ribbon cutting. We keep refering them to the chamber but for some reason, I am not sure the reason, they…

Mr. Rogelio T. Nunez: Are we assuming that responsibility?

Mrs. Anna Garza Llanes: We are going to oblige those that do not want to join the chamber.

Mr. Daniel Cortez: For those that do not want to join the chamber, we will provide something

Mr. Rogelio T. Nunez: There is a membership fee at the chamber. Is there written language in terms of an adoption by us as an EDC Board for any of these ribbon cuttings that the chamber does not want to do?

Mrs. Anna Garza Llanes: Do we have to do that, Mr. Pruneda? I'll put that back to you. Do we have to have anything in writing?

Mr. Michael Pruneda: We got to formally adopt a ribbon cutting program or system. There is nothing to say that we can't, but we have not put a system in place to do it.

Mrs. Anna Garza Llanes: Because the chamber in the previous when they have been here want to be there own entity. So they have told us that.

Mr. Esteban Rodriguez: Still considered economic development

Mrs. Anna Garza Llanes: We have tried that, we have a little bit of disagreements because they have not informed us. They have not in formed us of some of the ribbon cuttings and we're not being kept on topic with that so that was the only thing. Is that correct Mario.

Mr. Mario Palomo: Yes, that is correct.

Mrs. Erica Guerra: Can I add something. I personally asked the chamber and they said if we were not part of the chamber they do not ribbon cut for us.

Mr. Rogelio T. Nunez: I am okay with us putting us all out there San Benito. But I would like to make a suggestion, I do not have an answer, two things, one is we have something in writing just to say that we are now going to get ourselves involved in this process, something simple. Secondly, I do not know who the laison is gonna be and who the spokesperson is going to be, but there should be someway to figure out how to work with the chamber who represents the city and there way of doing things which has to do with business issues as well. So figuring our how to bring the city and chamber.

Mrs. Anna Garza Llanes: And I know you do not know this Mr. Nunez, but I will go ahead and tell you. When our executive director was here, he did go meet. I myself as president have met with them, and so has Mr. Goodman when he was here sitting as the Secretary/Treasurer. They were very clear to us, any sponsorship we give them, they do not want you to tell them how they are going to use it. Which I understand that.

Mr. Rogelio T. Nunez: At the same time, excuse me, the same time we are giving them a membership, I mean we are giving them money. I think we do, so therefore we need to figure out a way buy giving money but you do not want to cooperate me…

Mr. Daniel Cortez: Here recently the last 3, 4 months. Our relationship with the Chamber has improved, but we want just want to have the option to do our own ribbon cuttings, if necessary so that the vender does not suffer.

Mr. Rogelio T. Nunez: I am all for San Benito being up front.

Mrs. Anna Garza Llanes: We all want to direct them to the chamber, Mario has done that. We always want to direct them to the Chamber to do that, we never want away from them. But at the same time, how do we offer people that do not, if the Chamber is not responding to them, how do we handle that situation. I do not want to turn that around to somebody else. Yes ma'am

Mayor Pedero Galvan: Madam President, can I have the floor. I personally started receiving emails requesting the Mayor office to go do a ribbon cutting. What I refer them to is to the chamber and to join the chamber so that the chamber can connect with us so that we can all be a part of the ribbon cutting. Its how we have usually been doing it. I do not know fee structure looks like. I know it is significant cheaper than what Harlingen has, Harlingen will even charge you if you want after hours, evening hours, or weekends ribbon cuttings, just fyi.

Mrs. Anna Garza Llanes: If we can get list of the fees the they charge when they do come here we can give it to them. This is what the chamber does, this is where they are located. The only reason I say that is because we did have a vender who said that she had been over a month for them to do a ribbon cutting. She finally had to open without it. I am just saying that we need to do something to encourage them and to support them because this is sales taxes…. I think that this is an option but we can put stuff in writing is we need to an present it at our next meeting.

Mr. Rogelio T. Nunez: Perhaps legal can guide us. Seems to me that there is friction between these entities.

Mrs. Anna Garza Llanes: I do not thing that there is friction. The last time that this was all set, it was based on communication.

Mr. Daniel Cortez: Or lack off

Mrs. Anna Garza Llanes: Or lack off, exactly. It was communication that was the problem. I know Velma, I appreciate them but at the same time, I cannot ignore what venders are saying to us.

Mr. Rogelio T. Nunez: I understand that but at the same time the EDC is providing funding to the chamber.

Mrs. Anna Garza Llanes: At another we can go ahead an put them on the agenda to discuss them. Ok, so is there a motion to consideration and possible action authorizing the purchase of a canopy. We will look at the 10' x 10' & 10' X 12' Mario and marketing supplies.

Mr. Daniel Cortez: I motion to approve the authorization for Mr. to look into it. Are we going to set a limit on the purchase amount?

Mrs. Anna Garza Llanes: We are talking about number 8, do we want to put a limit.

Mr. Daniel Cortez: Not to exceed $10,000.00. That will cover everything. Canopy with imprint and supplies. We do not want to spend to much money but we do not want something cheap.

Mr. Esteban Rodriguez: I prefer a canopy

Mrs. Anna Garza Llanes: So we have a motion by Mr. Cortez to purchase and authorize, and for Mario to go ahead and give us an amount not to exceed $10,000.00 for the purchase of the canopy and marketing supplies.

Mr. Esteban Rodriguez: Does it have to be $10,000.00

Mr. Daniel Cortez: No, it does not exceed. Anything under that…

Mr. Esteban Rodriguez: I second that motion

Mr. Mario Palomo: We will get 3 quotes and bring the results before the board.

Mrs. Anna Garza Llanes: Okay so I have a motion by Mr. Cortez, do I have a second, Mr. Rodriguez seconds. All in favor: 5 Anyone opposed: 0 motion passed unanimously

9. Consideration and possible action on SBEDC bus, including but not limited to wrap, A/C, and other maintenance

Mrs. Anna Garza Llanes: Okay we are looking at number 9. Consideration and possible action on SBEDC bus, including but not limited to wrap, A/C, and other maintenance

Mr. Daniel Cortez: Okay to give some information for everyone that is new. This bus was purchased by our executive director. He brought to the board. They had to purchase of a bus that was available and it was going to used as marketing. Its going to have a logo on the side and when we have large events. We can bus people to and from parking areas, whatever, and also when we have possible business people who want to come tour the city. It is just something that we can transport them around the city.

Mr. Esteban Rodriguez: I just have a question real quick. Do we have a year

Mrs. Anna Garza Llanes: Mario do you have a year?

Mr. Daniel Cortez: Mario do you have that information on the bus.

Mr. Rogelio T. Nunez: We have purchase the bus already?

Mr. Daniel Cortez: Its already has been purchased.

Mrs. Anna Garza Llanes: The Bus has been purchased and it is sitting at the service department on Stinger.

Mr. Esteban Rodriguez: Is it a Ford, Chevy? Probably a Ford, Econoline.

Mr. Daniel Cortez: No

Mrs. Stephanie Sarrionandia: It say Gil bus.

Mr. Daniel Cortez: It's a tour bus.

Mr. Esteban Rodriguez: But somebody has to make it.

Mrs. Anna Garza Llanes: Do you remember Mayor

Mayor Pedero Galvan: We did not have much information other than it was used for casino trips, etc. winery trips.

Mr. Daniel Cortez: Winery trips

Mr. Esteban Rodriguez: I was just wondering

Mrs. Anna Garza Llanes: Do you have the information?

Mr. Mario Palomo: It's a 2003

Mrs. Anna Garza Llanes: It's a 2003 sir. Were just giving you a what you know. We are giving you a sample of an idea, but this does not have to be the idea. We can all in discussion and maybe create something where we would represent the city of San Benito and put it on the EDC.

Mr. Esteban Rodriguez: So this is it right here?

Mr. Daniel Cortez: This is the van, it's a bus

Mr. Rogelio T. Nunez: Does it work?

Mr. Daniel Cortez: Yes

Mr. Rogelio T. Nunez: Because the next piece is A/C and other maintenance.

Mr. Daniel Cortez: It is old and it has been sitting so just to get it maintenance and to make sure the A/C is working because it is going to be hot.

Mrs. Anna Garza Llanes: The A/ C does work but I do not know, but with this hot heat of a 100, I am not sure how. So we just put it in here so we do not have to come back everytime. If it does not need it, we will not do it.

Mr. Esteban Rodriguez: I like the logo, it is nice

Mr. Daniel Cortez: That is just a rendering. You all would have to come up with something

Mrs. Anna Garza Llanes: Do we have a motion consideration and possible action on SBEDC bus, including but not limited to wrap, A/C, and other maintenance?

Mr. Esteban Rodriguez: I motion to approve

Mrs. Anna Garza Llanes: Motion by Mr. Rodriguez. Do I have a second?

Ms. Erica Guerra. : I second

Mrs. Anna Garza Llanes: Ms. Guerra seconds. All in favor: 4 – E. Guerra, Cortez, Llanes, Rodriguez. Anybody opposed: 0 Abstain: 1- Nunez

Mr. Rogelio T. Nunez: How much is it going to cost? The maintenance can be a lot.

Mr. Mario Palomo: Were going to get quotes. Before we do anything we going to get 3 quotes, then we will present it and let you know.

Mr. Rogelio T. Nunez: Thank you

Mrs. Anna Garza Llanes: So Mr. Nunez is going to abstain. We have how many votes? 1,2,3,4 (Guerra,Llanes,Cortez,Rodriguez) Nays? 0 Abstention? 1 (Nunez)

INDIVIDUAL AGENDA ITEMS:

10. Consideration an possible action on nomination and election of SBEDC officers; and also authorizing the execution of forms for Lone Star National Bank related to depository bank services, including but not limited to signatory cards and the issuance of credit card.

Mrs. Anna Garza Llanes: I want to open the floor, so we can nominate…. Now, I know that we do not have a secretary. We will have to designate a secretary. And currently, Mr. Cortez is…

Mr. Daniel Cortez: I am going to resign as vice president. Because this will probably be my last meeting here, we might have one more, but I do not think. That way we can get new officers in here and get signature cards done and everything. I do not want to hold anything back

Mrs. Anna Garza Llanes: Hopefully we will have our commission to finish nominating or selecting the parties that go on the board members of the EDC Directors.

Mr. Michael Pruneda: Just a quick update. So our current chairperson is Mrs. Llanes. Mr. Cortez is the vice president, and secretary on paper is Commissioner Goodman. Contractually we need all three to sign and execute any contract that comes before this body, that are approved. We also need officers that can approve and issue checks. We do not need all 3 for the checks, but we need all 3 for the contracts. So we are going to need a vice president for sure, and we are going to need a secretary for sure. If any contracts should come from tonight or the next meeting, we do not want to have to call a either a special called meeting or wait for the next month. So that really is what we are essentially doing today.

Mr. Rogelio T. Nunez: This is my interpretation of that item. It should be two parts.

Mrs. Anna Garza Llanes: Yes it is two parts.

Mr. Rogelio T. Nunez: So its together.

Mr. Michael Pruneda: So last meeting we approved the signature cards for Lone Star National Bank, to remove the former director, the executive director. So we took action on that to ensure that authorization no longer exeisted. We also approved the credit card of the former bank depository be replaced by the current depository bank which is Lone Star. We added it to this item because from the officers you going to be able to appoint who you want to sign checks for the signatory cards.

Mr. Rogelio T. Nunez: The other part of the questions would be or suggested waiting until we get the full appointments to the board to get into who the officers are going to be. I know it delays this thing, I understand that. But at the same time they are in the process, the new commission nominating new board members, and therefore this could happen that there is new board members who are not going to be present for this reorganization of the board. They will not have a chance or option to least to say yay or nay, or I would want to be the secretary, or nominate that person. In all fairness to the fact, and I understand transitions and I understand all these things that come in. On the side of it, the process is working in terms of nominations, some are getting declined, but eventually it will happen.

Mr. Daniel Cortez: Aren't the officers nominated or elected in November.

Mrs. Anna Garza Llanes: November

Mr. Daniel Cortez: So this will happen again in November, so this is temporary

Mrs. Anna Garza Llanes: Yes. The election is in November.

Mr. Daniel Cortez: The officers are elected in November, this is just to holdover so that business can continue

Mrs. Anna Garza Llanes: I am not sure when the commission is going to nominate or appoint

Mr. Rogelio T. Nunez: They meet on the first week

Mrs. Anna Garza Llanes: Yes I know, but we already went pass June and here we are in July. So this is the reason he is saying that, the reason that it is happening. So we do not have a stall or wait on anything. Yes, yes Mayor.

Mayor Pedro Galvan: Just an update, I did make some nominations to places 6 and 7 with confirmation from the commission they were denied. Some appointments were made, but were denied by the governing body. That is why we do not have a full board. That was on the 23rd. We anticipate having another meeting on July 7th, after receiving some appllications so that board, I can make that appointment with approval from the commission for places 6 and 7. So it is not that we did not appoint, I appointed 3 times, for clarification.

Mr. Rogelio T. Nunez: Just one more footnote. If I read the bylaws of the EDC Board, it says that the money will get deposited in a back in San Benito. I do not know if Lone Star has an office in San Benito or not. No Are you sure of that?

Mrs. Anna Garza Llanes: Well I think question Mr. Nunez we will go ahead and direct it at the next, cause I kinda would like for him to make a presentation and tell us at that time. Because here were trying really tryng to elect the officials.

Mr. Rogelio T. Nunez: I understand but the bylaw say…

Mrs. Anna Garza Llanes: I understand, but we are getting off the agenda. This is not on the agenda. What we are looking for….

Mr. Rogelio T. Nunez: This the bylaws

Mrs. Anna Garza Llanes: This is not bylaws either

Mr. Rogelio T. Nunez: Does it not say that we need two banks

Mrs. Anna Garza Llanes: Yes, but we are not discussing bylaws Mr. Nunez.

Mr. Michael Pruneda: We have a depository, and that is with Lone Star

Mr. Rogelio T. Nunez: Well if I read the bylaws correctly, it say San Benito banks

Mrs. Anna Garza Llanes: We are not going to handle that discussion. We are going to have to put it on the agenda for next time.

Mr. Rogelio T. Nunez: We need to amend the bylaws

Mrs. Anna Garza Llanes: Okay, we will do it then at that time. It is not on the agenda sir, we need to stick to the agenda. So and foremost, are we electing officials. I say yes cause we need to this business. We need to continue doing business. We can't wait on the commission and I understand that it is not there fault and they appointed. I get that, but at the same time we need to move as an entitiy. I make a motion to put Mr. Esteban Rodriguez as Vice President. Do we have a second?

Mr. Michael Pruneda: Does he accept the nominatiion.

Mrs. Anna Garza Llanes: Do you accept the nomination?

Mr. Esteban Rodriguez: Yes

Mrs. Anna Garza Llanes: Yes he does, thank you Mr. Rodriguez. Do we have a second? Ms. Guerra seconded All in favor? 4 (Guerra, Llanes, Cortez, Rodriguez) All against: 0. Abstain: 1 (Nunez). Motion passed 4-0

Mrs. Anna Garza Llanes: So now we have for secretary. I have a motion to select Mrs. Guerra. Mrs. Guerra do you accept the appointment, for Secretary?

Mrs. Erica Guerra: Yes

Mr. Esteban Rodriguez: I second that motion

Mrs. Anna Garza Llanes: A motion was made by Mrs Llanes, and seconded by Mr. Rodriguez. All in favor: 4. All against: 0. Mr. Nunez Abstains. Motion passed 4 Yays (Guerra, Llanes, Cortez, Rodriguez)- 0 Nays -1(Abstain-Nunez). (Consideration an possible action on nomination and election of SBEDC officers)

So I guess that we are doing the authorizing the execution of the forms for Lone Star National Bank related to depository bank services, including but not limited to signatory cards and the issuance of credit card.

Mr. Michael Pruneda: So right now who is authorized to sign?

Mrs. Anna Garza Llanes: Today I am, Mr. Rodriguez will be, and Ms. Guerra.

Mr. Michael Pruneda: By virtue of there titles?

Mrs. Anna Garza Llanes: By virtue of there titles

Mr. Michael Pruneda: So I would just make a motion affirming that that's how it's going to be from now until any changes may occur in the future

Mrs. Anna Garza Lanes:: Right, so we can make a change, I mean that's not a problem.
I motion Mr. Cortez seconds. All in favor? 4 (Guerra, Llanes, Cortez, Rodriguez) All against: 0. Abstain: 1 (Nunez). Motion passed 4-0

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

Mrs. Anna Garza Llanes: With the Atkins group We did get a We did get an email from them terminating the services. Okay so Mario do you have that email We just got it actually Right before we started our meeting, we just got it. I think we just got it, don't we?

Mr. Mario Palomo: Yes.

Mrs. Anna Garza Llanes: So based on that letter that we received, I motion to terminate the agreement between the Atkins Groups and the Santa Benito EDC and that any monies that are to be paid will not be, well, we stop payment on anything. Anything that needs to be paid, we'll have to find out, I guess, how it's going to go.

Mr. Michael Pruneda: So I would recommend that your motion be to accept the Atkins Group's termination of the agreement and also subject to a review of the actual services that were performed for any unpaid amounts that are due only, or that may be due only.

Mr. Daniel Cortez: Mario, was this the response we got from the request that we submitted for reports from them on what they had done?

Mr. Mario Palomo: You can tie that to it, yes.

Mr. Daniel Cortez: So we submitted a report , a request for a report. We were supposed to be getting monthly reports from them and we hadn't been so we requested those reports and this was there response.

Mr. Mario Palomo: Correct

Mr. Rogelio T. Nunez: So were we sending any type of reports?

Mr. Mario Palomo: They just made a presentation. Iinitially in September and one at the end of that month, but they had another one when they came in, I think if was December and that was it. But as far a monthly reports, we never received anything, not unless the previous executive director received them. And that is why we requested the email last week, last Thursday and we had not gotten a response until today.

Mr.Daniel Cortez: The board never received anything.

Mr. Mario Palomo: Right

Mr. Rogelio T. Nunez: Yeah well, they are not doing there job then. Did they do any work?

Mrs. Anna Garza Llanes: I was not on there list, so I think that was mentioned at there meeting

Mr. Daniel Cortez: They were the one's that were supposed to be doing the rebranding for the city. The new logo they came up with it, all that. That's why we were requesting the reports so that what they had done.

Mrs. Anna Garza Llanes: I think that at one of the meetings I had even said that I needed to get on there.

Mr. Daniel Cortez: That's what they did for what we paid them. They maybe more, but we have not had any reports.

Mr. Rogelio T. Nunez: So again, I would say I would motion to agree, but at the same time if they did not do any work in terms of what the object is. If they sent an invoice, I wouldn't pay

Mr. Michael Pruneda: If you would like to talk about in the back. My opinion will be a little more in depth. Lets just go ahead and talk about that in the back

Mrs. Anna Garza Llanes: So were going to move item 11 into executive session

Mr. Daniel Cortez: Are we going to accept their

Mrs. Anna Garza Llanes: Were going to accept their resignation

Mr. Michael Pruneda: There has been a motion but has not been seconded

Mr. Daniel Cortez: I second the motion to accept the termination by The Atking Group

Mrs. Anna Garza Llanes: Okay so were motioning to terminate…

Mr: Daniel Cortez: To accept the termination. From Atking Group

Mrs. Anna Garza Llanes: Second by Mr. Cortez. Okay so were motioning to accept the termination letter from Atkins Group and seconded by Mr. Cortez. All in favor: 5 Any opposed:

Mr. Michael Pruneda: That motion is not to be approving any of the funds…

Mr: Daniel Cortez: No were just accepting their letter.

Mrs. Anna Garza Llanes: This contract goes until September, if I remembrer right.

Mr. Michael Pruneda: Yes

Mrs. Anna Garza Llanes: So it goes until September. So were not to release any funds

All in favor: 5 Anybody opposed: 0 Motion passes unaminously

Back from executive session:

Mrs. Anna Garza Llanes: So we voted on Atkins didn't we?

Mr: Daniel Cortez: Yes we did, we voted to accept their letter. We have to come back to number 12 for the amount

12. Consideration and possible action on amendment of the 2025 – 2026 SBEDC budget concerning the re-appropriation of funds from the Fairgrounds Projects to EDC Projects.

Mr: Daniel Cortez: Do you want to explain that one?

Mrs. Anna Garza Llanes: If you look at your budgets. I think everybody has a budget book?

Mayor Pedro Galvan: Adopted one?

Mrs. Anna Garza Llanes: Look at your budget on page 36 of that budget. And you might want to look at page 40. So on the fairgrouds budget, we have, it says $900,000.00 but really we have $712,085.00.

Mr. Rogelio T. Nunez: So that's $712?

Mrs. Anna Garza Llanes: $712 with 085. The Charlie Crockett event was paid out of there. Okay? So that will get somebody to get to know that. And then on the EDC project, we have $935,800. So TRIMAD, one of our projects was paid out of there. So what we wanted to do is I wanted to move, I proposed to move that amount over into our projects. $712,085. We want to drain the whole thing or we should just leave some of it on the fairgrounds.

Mr: Daniel Cortez: We still have the other account for the fairgrounds, no?

Mrs. Anna Garza Llanes: No, What other account?

Mr: Daniel Cortez: The one, what did you say? Oh, Charlie Crocket was paid out

Mrs. Anna Garza Llanes: Out of there. Out of the fairgrounds project. Yeah, so we're at $712.85. And over here we paid TRIMAD for $935, 800.

Mr. Rogelio T. Nunez: So what is the Fairgrounds project?

Mrs. Anna Garza Llanes: I really can't discuss it in open session because it's a project.

Mr. Michael Pruneda: Okay, if you'd like we can take it to the back

Mrs. Anna Garza Llanes: That can be moved to executive session

Mr. Rogelio T. Nunez: I would like to know what that is

Mrs. Anna Garza Llanes: It's a project that we cannot discuss out here. We do not want people to get our ideas

Mr. Rogelio T. Nunez: No we don't. The whole world knows

Mrs. Anna Garza Llanes: No, they should'nt. This should'nt because this is executive session Sir. Anyway, alright. We are going to move that to executive session.

Mr. Michael Pruneda: The rest of it is executive session so we can just go ahead and…

Mrs. Anna Garza Llanes: Well, number 13 is not executive session

Back from executive session:

Mr. Esteban Rodriguez: Motion to approve

Mrs. Anna Garza Llanes: What's the amount going to be?
Mr. Esteban Rodriguez: We are going to leave $100,000.00's in the fairgrounds and move the rest to the…

Mr: Daniel Cortez: 612…

Mr. Esteban Rodriguez: 612,085.00's

Mr. Michael Pruneda: And just for the benefit of the board that transaction that you're voting on will now go to the City Council because they approve your budget. The will have to approve that movement and reappropriation

Mr. Esteban Rodriguez: What if the Mayor does not want money?

Mrs. Anna Garza Llanes: A motion has been made to move from the fairgrounds project

Mr. Esteban Rodriguez: Leave $100,000.00's there for the fairgrounds project and were going to move $612,085.85 back to the special projects

Mrs. Anna Garza Llanes: So Mr. Rodriguez has motioned to move $612,085's from the projects to the EDC projects. Motion has been made from Mr. Rodriguez, anybody seconded?

Mrs. Erica Guerra: I seconded

Mrs. Anna Garza Llanes: Mrs Guerra seconds. All in favor: 5 Anybody opposed: 0 motion carries Motion passes unanimously. Discussion with legal counsel on pending projects, including but not limited to the sale and/or acquisition of real property

Mr. Michael Pruneda: And also as discussed in executive session. We would ask for authorization to engage prospective land owners on the sale on the sales of properties or buildings

Mr. Anna Garza Llanes: A motion

Mr. Esteban Rodriguez : I motion to authorize attorney to meet with potential sellers buildings or land or property

Mrs. Erica Guerra: I second

Mr. Anna Garza Llanes: And Mrs Guerra seconds. Which has been motioned by Mr. Rodriguez and seconded by Mrs. Guerra. All in favor: 5 Anybody opposed: 0 Motion passes unanimously

Do we discuss the Atkins were not gonna pay?

Mr. Michael Pruneda: As discussed in executive session. I will be sending them a correspondence regarding pending matters. No action is needed.

Mrs. Ann Garza Llanes: No action needed

13. Consideration of possible action on the Small Business Investment Program's applications for the following. Number one, we have the Wing Shack.. Number two, we have El Fogon Restaurant. And number three, M&N Liquors LLC. Mario, can you give the amount.

Mr. Mario Palomo: Yes, before I mention those, all these three applications met the guidelines and eligibility requirements. They submitted all documentation, and they qualified for the grant.

Mr: Daniel Cortez: This is the sales tax grant.

Mr. Mario Palomo: This part of the sales tax grant program

Mr. Rogelio T. Nunez: And this grant money does not have to be repaid?
Mr. Mario Palomo: No Sir. But there is an agreement and they do have some stipulations in there and just in case they don't meet those obligations they do have to pay it back.

Mr. Rogelio T. Nunez: Okay

Mr. Mario Palomo: Okay. El Fogon Restaurant, they will receive $2,550.54. M&N Liquors LLC, they went over the threshold so the max that they can receive is $10,000.00. Same thing with the Wing Shack, they went over the threshold so the most they can receive is $10,000.00. All of these businesses, just to kind of mention, M & N has been open for seven years. El Fogon has been open for three years and five months. Wing Shack has been open for eight years and three months. The number of employees from Wing Shack, seven, El Fogon three, and M&N Liquors two. So I just thougt I'd let you all know that information
Mrs. Anna Garza Llanes: There is still a balance that we have to give to others if they went ahead and signed up

Mr. Mario Palomo: There is a balance and that will be used for the façade, paint program, any other program that we have. The balance is $49,685.46 if these grants are approved

Mr. Rogelio T. Nunez: 49 what?

Mr. Mario Palomo: $49,685.46

Mr. Rogelio T. Nunez: That's money that's still available

Mrs. Anna Garza Llanes: Yes, its still there.

Mr. Mario Palomo: And I ask board if they have anybody any business that we have not reached out too, please let me know so we can so we can reach out to them and see if we can help them out

Mr. Rogelio T. Nunez: I like that

Mrs. Anna Garza Llanes: Anyone want to make a motion?

Mr: Daniel Cortez: I make a motion to accept item 13 for the award of the grant money to the Wing Shack, El Fogon Restaurant, M&N Liquors

Mrs. Anna Garza Llanes: The mortion has been made by Mr. Cortez

Mr: Daniel Cortez: I seconded that

Mrs. Anna Garza Llanes: The motion has been made by Mr. Cortez to accept the Wing Shack at $10,000.00, El Fogon Restaurant at $2,550.54, M&N Liquors LLC for $10,000.00. This is for the Small Business Investment program application. Mr. Cortez has made a motion and Mr. Rodriguez is seconds. All in favor: 5 Anybody opposed: 0 Motion passes unanimously.

And were carrying number 14. Consideration and possible action on litigation and those have been moved over to executive session.

14. 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

Back from executive session:

Mrs. Anna Garza Llanes: Number 14, Consideration and possible action on litigation

Mr: Michael Pruneda: So the only action will be the litigation involving VARCO and the Resaca Village and I like a motion as discussed in executive session.

Mr: Esteban Rodriguez: Motion to reject the settlement from VARCO San Benito

Mrs. Erica Guerra: I seconded it

Mrs. Anna Garza Llanes: Motioned by Mr. Rodriguez to reject the settlement from VARCO and second by Mrs. Guerra. Everybody in favor? 5 Anybody opposed: 0. Motion passes unanimously

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

Mrs. Anna Garza Llanes: Which is discussion of the projects and the agreement of the council agreement the litigation. It is now 6:12 going into closed session

Entered Closed Session: 6:12 pm

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 Disciplanary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter:

a. Discussion with legal counsel on pending projects, including but not limited to the sale and/or acquisition of real property;

b. Discussion with legal counsel on agreement with The Atkins Gourp

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

Pursuant to §§551.072, the Board of Directors may convence 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 pending projects, including but not limited to the sale and/or acquisition of real property;

Pursuant §§551.074, the Board of Directors may convence 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:

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 with legal counsel on pending projects, including but not limited to the sale and/or acquisition of real property;

RECONVENE:

Returned from Closed Session: 8:08 pm

Mrs. Anna Garza Llanes: The time is 8.08 and we're reconvening back from executive session. We're going to go ahead and go back to our consent agenda. (See specifc items above that were acted upon)

15. Meeting Adjournment

Mr. Daniel Cortez: Motion to adjourn

Mrs. Anna Garza Llanes: It is now 8:15. The meeting is adjourned

The meeting was adjourned at 8:15pm

Approved this 10th day of August 2026.

Anna Garza Llanes, President	**Erica Guerra, Secretary/Treasurer**