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 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

Ms. Llanes: 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 items.

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 by 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. Sarrionandia?

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 this 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

Individual Agenda Items:

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.

Board members also discussed the invoices submitted for IT support services.

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 then 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 dated for April, I was looking at 2 different dates. So March, April, June, July. So for what I have here and as what we paid him

Mayor Galvan: July of this month he did a service?

Mrs. Sarriionandia: July of this year

Mr. Hector Gomez: How much IT do we need?

Mayor Galvan: That's why he was on last months agenda.

Mrs. Sarriionandia: $600 and …

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 executive director, I do not know what was done. I never saw any agreement. Did we ever have an agreement Mr. Pruneda?

Mr. Pruneda: No

Mrs. Llanes: We did not, so there you go. So I do not know, I am thinking that maybe when it was terminated, whenever it was terminated by the city. Anything above that needs to ba paid, would'nt you agree?

Mrs. Sarriionandia: Well that would be then you have before. The city terminated with him in June.

Mrs. Llanes: That is what I am saying, so those are March, April, and whatever, should'nt those be paid? Because we(city) did not terminate until June

Mrs. Sarriionandia: Correct, but we were not paying him, so they were part of whatever he was billling missing. So if, and I have it here right, where we paid this gentlemen.

Mr. Esteban Rodriguez: So he has been paid already

Mrs. Sarriionandia: By the city, so now he is billing speparately the EDC, and I am telling you because I was there. He was supposed whatever his services were to the EDC, they were part of the city

Mrs. Llanes: Do you have that agreement?

Mrs. Sarriionandia: I do not have it on hand, but I will give you a little brief

Mrs. Llanes: Can you send it to him so he can review that?

Mrs. Sarriionandia: The agreement is with the city. To give you a little background. So his information started in 2024 right. Whatever he started with the city, he started in 2024. So he billed the EDC in March 2024, then is June of 2024 , July of 2024 and then nothing, he did not bill us for all 2025 up too November 2025. Almost a full year he was doing it as the agreement with the city, right. He was not billing us and he was assisting the EDC and it was in conjunction with the city. Righ, come in November of 2025 he started billing the EDC again. So I am not to sure what changed from then to now cause he was technically still in agreement with the city. All of these were the first tine they sent to my way probably because it is a monthly fee to the EDC so what we would do is we would stop it cause it is a monthly charge. So for a monthly charge to be reoccurring there should be a contract on you alls end, and I did not have that contract.

Mr. Pruneda: There is no contract

Mr. E Rodriguez: There is no contract

Mrs. Sarriionandia: Yeah but these are monthly.

Mr. Pruneda: There is no contract.

Mayor Galvan: So its one of those professional service contracts.

Mr. Pruneda: These are services rendered so I think to clarify to the board. Are you saying that these services that were rendered for the EDC were paid by the city?

Mr. E. Rodriguez: That is what I was asking right now. The city already paid them?

Ms. Llanes: Not these

Mayor Galvan: At one point the city was going to look at opening an IT department and bring on Mr. Richie, but the previous commission decided that was not the best intention of the city and feasible and as we went on with the contract with the gentleman. Presenting with his name and instead of his corporation which never really actually existed if you want to look up corporation. We found a lot of issues with cyber security, such as passwords never being changed from one man to the next, people having access to multiple cameras systems. My advice to you guys, do it proper, I don't care if it is professional services or whateveryou want to call it, but get some applications. I am pretty sure you have a bunch of bright students in all these great schools that we have in San Benito that can perform IT services.

Mr. Pruneda: Alright so lets clarify a little bit. Did he submit invoices for services rendered to the San Benito EDC at the city and he was paid at the city? I guess 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: So that there was no bill, he would just come in and do it and he would not bill 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

Mr. Sarrionandia: Yes they are, there are consecutive

Mr. Gomez: Is this an agenda item?

Ms. Llanes: Yeah, its on the agenda

Mayor Galvan: It says the authorization of payments, is there a ratification

Mr. Pruneda: Mario, what has Richie done that he is invoicing the EDC for?

Mr. Palomo: He has worked with the website, he cleaned up quite a bit of the wi-fi site, 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. Is that the case or is it not?

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 to him for the services rendered. That's a 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 it since the 20 …
Mrs. Sarrionandia: Up to June when his contract finished

Mr. Esteban Rodriguez: This is March, August 2026, June…

Mrs. Llanes: When you terminated it, did you include the EDC?

Mrs. Sarrionandia: We did not have that specificity that said it included the EDC but it was expressed that his services rendered here were part of the city's contract.

Mrs. Llanes: Yeah city, you know what I am saying. I do not know, I feel like we need to approve

Mayor. Galvan: Did we approve the contract for IT services other than what we have here.

Mrs. Llanes: I do not remember seeing sir.

Mayor Galvan: Let's email Mr. Sandoval

Mrs. Llanes: I do not remember

Mr.Gomez: What is the total of the invoices?

Mr. E. Rodriguez: Lets say 7…

Mrs. Llanes: 7 times 4 about $2800.00

Mayor Galvan: You said wi-fi

Mr. Palomo: No, he has provided

Mayor Galvan: Is there a list of services that he provided?

Mr. Palomo: He has provided Wi-Fi network. When MPC hardly gives us a call, he is available. He uploaded documents to the website.

Mayor Galvan: Who is MPC?

Mr. Palomo: The web designer

Mayor Galvan: For the EDC.

Mr. Palomo: He created the website for the fairgrounds. He did a lot of that work. Now…

Mr. Pruneda: If it was going to provides services to the EDC, it would be in the interlocal agreement.

Mrs. Llanes: And we do not have anything

Mr. Pruneda: Between the City and EDC

Ms. Llanes: And one was not done, was there? I have never seen one. There you go, that's what I am saying. Were only for services that he rendered. We gotta pay these.

Mr. Pruneda: Mr. Yanez has been performing services for how long now?

Mr. Palomo: One week

Mr. Pruneda: Are we not going to pay him for the work that he had done.
Ms. Llanes: We have got to pay him, sure, we needed somebody to upload the applications

Mr. Gomez: It's clear that there is gonna be things that are going to come up with the previous administration. I motion to pay

Ms. Llanes: Okay we're making a motion now. Let me repeat this. Consideration and possible action on professional services for IT, including but not limited to authorizing the payment of invoice for services provided. We have a motion by Mr. Gomez. Do we have a second?

Ms. E. Guerra: I seconded

Mr. Pruneda: Just for clarification Mr. Gomez, does your motion include Mr. Yanez as well or just Mr. Ricardo Trevino.

Mr. Gomez: Ricardo Trevino

Mr. Ricardo Guerra: We got to pay Mr. Yanez also

Mr. Gomez: But he has only provided services for a week. Is that how we are going to pay him.

Ms. Llanes: Yes

Mr. E. Rodriguez: That's going to be for another…

Mr. Gomez: Can I…

Ms. Llanes: Modify it if you want to modify it

Mr. Gomez: I want to modify my motion, amend the motion to include Mr. Yanez's invoices for next meeting

Ms. Llanes: Okay, so consideration and possible action, we've been, Mr. Gomez has motioned for agreement of professional services agreement for IT but not limited to authorizing payment of pending invoices for services provided for Mr. Antonio Yanez and for Mr. Ricardo Trevino. We have a motion. Do we have a second?

Ms. E. Guerra: Seconded

Ms. Llanes: Seconded by Ms. E. Guerra. All in favor?: 6 (E. Guerra, E. Rodriguez, A G. Llanes, H. Gomez, R. Rodriguez) Anybody opposed: 1 (Nunez) Motion passes: 6 – 1

Mr. Nunez: May I make a comment.

Ms. Llanes: Yes Mr. Nunez

Mr. Nunez: We got these right now. There is no signatures on these

Mr. Pruneda: There before this board for approval. They have never been before this board.

Mr. Nunez: I got this today as well.

Ms. Llanes: We all did

Mr. Nunez: Statements of qualifications from Mr. Pruneda, an attorney very well done. Clarifies your services , credentials, what you are going to provide the city, etc, etc, and is signed by you. That's what I am looking for, I am looking for something like this that is very well documented. I got it today, today. It's dated January 2024. It does specify exactly what you are going to do, how you are going to do it, and what we are planning to do it, etc. etc... But when I get something like this that's does not have any signatures on it, and it just got approved to today.
Ms. Llanes: Just now

Mr. Pruneda: Just for clarification, that has not been approved. You all approved the payment of the invoices.

Mr. Gomez: And motioned to look into this, calm down and seen everything next meeting. And if we have to make more meetings, I am okay with that.

Mayor Galvan: Where are the invoices, these are just the agreements. No one had seen the invoices and now everybody just approved them?

Ms. Llanes: They wanted to know what it was $695, how many? 4. It's about $2800.00. Didn't we say that?

Mayor Galvan: Can I see the invoices please

Mr. Nunez: We just got the packages today

Ms. Llanes: We do not have our laptops, there just working on them

Ms. Llanes: Okay can we move…. We're at number 8

8. Consideration and possible action on agreement with the Atkins Group:

Ms. Llanes: This group, which we have terminated, or they terminated us, sent us something

Mr. Pruneda: It's probably best that we discuss this in the back

Ms. Llanes: Okay, we move to executive session

Back from executive session:

No Action

9. Consideration and possible action on interlocal agreement between the SBEDC and City of San Benito

Ms. Llanes: Executive session, please

Back from executive session:

Ms. Llanes: Consideration and possible action on interlocal agreement between the SBEDC and City of San Benito

Mr. E. Rodriguez: I make a motion to authorize Mario Palomo to solicit financial instituions.

Ms. Llanes: Mr. E. Rodriguez has motioned to have Mario Palomo to solicit financial entities or institutions. We have a motion by Mr. E. Rodriguez, do we have a second?

Mr. Gomez: I seconded

Ms. Llanes: Mr. Gomez will second. All in favor: 7 Anyone opposes: 0 Motion passes unanimously: 7 -0

10. Discussion on SBEDC Bylaws

Mr. Pruneda: This item was put on I know Mr. Nunez had brought up a provision in the bylaws regarding Banking. We put this item on there, is there any other provisions of the bylaws that you all have had a chance, the new members have had a chance to review the bylaws, any other recommended changes that would like to bring up now is a good time to address those and we can bring in a modified bylaw amendment if that's route the the board wants to go. I know we have discussed some things regarding Lone Star National Bank
Ms. Pruneda: We can talk about that in the back as well.

Ms. Llanes: Did you want to discuss anything Mr. Nunez?

Mr. Nunez: Well I mean I brought it up that a bank needs to be in San Benito, Lone Star is not in San Benito

Ms. Llanes: Okay it's been taken care off, thank you. Ready? So that on one were just going to leave alone, we are not discussing

Mayor Galvan: Board members item 10 bylaws. The issue our bank, our depository Lone Star National Bank and the bylaws state that the bank had to be with a bank that is within the City of San Benito city limits. That is what Mr. Nunez was trying to address, but Lone Star National Bank has an ATM in town and we've, the board felt that it was okay to continue services.

Mr. E. Rodriguez: Well its not a bad thing but at the same time this board can still change the bylaws where we can change them to where we can allow that, so its not a wrong thing.

Michael Pruneda: Just one more comment on the bank thing. The banking issue to address Mr. Nunez point. How we ended up piggybacking with the city's depository's proposal. I have had some questions about that previously, we are completely free to separate ourselves as far as the depository contract is concerned and just not include ourselves whenever they go out to do it again per proposals and bank depository and just go independent and that the city chooses their own depository and the edc chooses our own depository.

Mr. Nunez: I think that is a good idea

Mr. E. Rodriguez: I think that is a good idea

Mayor Galvan: For reference, the city has discussed giving the EDC more freedom in respect to letting you guys make your decisions as you guys see best, in the best interest of the city.

Mr. E. Rodriguez: We still have to pass that

Mayor Galvan: You can say no

Mr. E. Rodriguez: But you as a commission

Ms. Lllanes: Okay we are getting off topic, we have already been on number 11 and were still with the bylaws. I asked for discussion, there was not any, we've moved on, lets keep on our agenda.

Mayor Galvan: The city wont actually have to approved because the recommendation is that some of the stuff does not come to the city. Your point again Mr. Rodriguez is to give you guys more freedom.

r. E. Rodriguez: Correct, point taken

11. Consideration and possible action on sponsorship for SBHS 2026 Football Program

Ms. Llanes: I believe there was something in here that we had that was provided for sponsorship. There is a football poster sponsorship that is in our paperwork.

Mr. E. Rodriguez: Okay if we go with, what is it going to do for us.

Ms. Llanes: Well its just the quarter page, business. You get a quarter page

Mr. Palomo: It's just to advertise

Mr. E. Rodriguez: Is it going to say our name, that is what I am asking?
Ms. Llanes: It will say EDC

Mr. Nunez: Our logo

Ms. Llanes: We can come up with something, whatever we want to do with that space

Mr. E. Rodriguez: That's what I'm asking.

Mr. Palomo: We can prepare something that you all can see

Mr. E. Rodriguez: We can select that so it wont be questioned that that's what we did again

Ms. Llanes: They have a deadline of August 14, 2026. We will get something real quick. Somebody motion anything there? Is anybody going to motion, consider possible action, do we have a motion?

Mr. E. Rodriguez: So were going to go with which one?

Mr. Gomez: I motion for the business, full page

Mr. E. Rodriguez: The business

Ms. Llanes: Quarter-page, half-page, full-page

Ms. E. Guerra: I motion for a full-page

Ms. Llanes: Mr. Gomez motioned for a full page. The motion has been made for sponsorship for SBHS 2026 Football Program for a full page. Motioned by Mr. Gomez, and second by Ms.E. Guerra. All in favor? 7 Anybody opposed? 0 Motion passes unanimously: 7 -0

12. Consideration and possible action on sponsorship for Boys and Girls Club Gala

Ms. Llanes: Mr. Salinas presented us with the Roots & Boots Gala, and the honoree is the honorable Mayor Pedro Galvan. We have the sponsorships on the other side, what's the deadline on this sir (Mr. Salinas)? Oh its September 10th. You said we did a $1,000 so I make a motion for the Buckle sponsor.

Mr. E. Rodriguez: I seconded

Mr. Nunez: Are we already funding the Boys and Girls club for this particular event.

Ms. Llanes: we gave it to them last year

Mr. Nunez: Do we know how much we gave them?

Ms. Llanes: He says $1,000

Mr. Nunez: Does the EDC provide quality of life projects, programs

Mr. E. Rodriguez: I think we gave them 5

Mr. Nunez: to the boys club

Mr. R. Guerra: the city does

Mr. Nunez: the city does but not the EDC

Mr. E. Rodriguez: They gave $5,000, no $10,000
Mr. Nunez: how much do we want to give to this?

Mr. E. Rodriguez: The buckle sponsor, a $1,000

Mr. R. Guerra: There is only 6 tickets on for this sponsor package

Ms. Llanes: So last time not everybody went

Mr. R. Guerra: We need to know, if everybody is going, we need to buy the table.

Ms. Llanes: Consideration and possible action on sponsorship for Boys and Girls Club Gala

Mr. Gomez: motion to be the buckle sponsor

Mr. R Rodriguez: I second

Ms. Llanes: Motion by Mr. Gomez, consideration and possible action on sponsorship of the Boys and Girls Gala. The buckle sponsor of a $1,000, made a motion by Mr. Gomez, seconded by Mr. R. Rodriguez. All in favor: 7 Anybody opposed? 0. Motion passes unanimously: 7 - 0

13. Consideration and possible action on authorizing partial rental space of SBEDC offices

Ms. Llanes: We thought about this area that nobody really uses right here. I guess somebody is asking if we could rent them that little space for four hours or whatever that is, so we need to do like a fee schedule if we want to do that, do we want to rent first and foremost.

Mr. Nunez: What kind of renters are they?

Ms. Llanes: Businesses. They do presentations, whether its for insurance or whatever they want to do

Mr. E. Rodriguez: Cause UTRGV is no longer there right?

Ms. Llanes: no

Mr. R. Guerra: So what are we going to do with the sign?

Ms. Llanes: I think we need to make contact with them and find out what is going on that. Lets do that first before we do this, so lets table that.

Mr. R. Guerra: Can we just, so it does not have to come back can we move on it too?

Ms. Llanes: We can be subject to no?

Mr. E. Rodriguez: We just authorize it to see if we can rent it

Mr. Pruneda: I would establish a base rent, that way we know and Mario can go and market it and he has authority on a base rent.

Ms. Llanes: but we really do not know what UTRGV is doing.

Mr. R. Guerra: they have not even come since we put up the sign, I have never seen them come in here

Mr. Palomo: We have reached out, not in the past 90 days to Ron Garza

Ms. Llanes: So we have reached out to them

Mr. Palomo: Yes

Ms. Llanes: And no response

Mr. Palomo: The issue was that when they were collecting information, we asked for some information so we could present to the board so we can let them know that this project was working. They informed me that they could not share that information. Part of our deal is because since they help our business community, it would be inportant for us to know who, so that way we can go ahead and create more grants based on the requests that these individuals were needing and we could help each other. They said that was not possible

Mayor Galvan: I did reach out to Mr. Ron Garza who is a native of San Benito, previous city manager for city of Edinburg, works for UTRGV. He said that he had issues with gaining entrance to the building Because of the different hours and they need to be able to come in and have a side entrance where they could come in and not disturb the rest of the building and still utilize there space. That was there biggest issue but that they would be interested in helping our community if having a space if the entrance issue could be resolved.

Ms, Llanes: This is the thing, they have known it, they know how it is set up, then they should have said something about it. I would think, no?

Mayor Galvan: I'm just bringing up what they said. I did not have a one and one with him. Most communities are growing with UTRGV.

Mr. Palomo: To add to that, this was by appointment. So there would be times that I was out and no one was here, but we never got a call to say I can send you a calendar of appointments so we can have someone available to be here at the office, so we can do that.

Mr. R. Rodriguez: I think its more of an issue of the setting and not the environment. How can it be accessible to them without interfering with everybody else.

Mr. E. Rodriguez: The question I have to that do you all as a board want anybody roaming around here. Lets just say that nobody is here, Mario goes out to lunch, they are going to have access to the whole building, it does not matter. As a board that's why I am asking if that is what you want to do, because if we rent it. If I am renting a building, I want full access. That's what I would look at. What are they renting it for, there not, a dollar what?

Ms. Llanes: I think initially too they were supposed to help some of these venders with business plans. The business plans that we are seeing are not business plans. I know business plans when I see business plans. I do not know what the role was but I never saw anything come about it with business plans. That was part of the service they were supposed to be giving to the community, not to just hand them paper and you figure your own business plan. They were supposed to help them and try to help them, am I correct? I remember seeing something and I thought, this is not a business plan, and it was generated here and I looked at it, this is not a business plan.

Mr. Palomo: SBA uses the same type of product and uses it to get a success rate

Ms. E. Guerra: So lets just table 13

Mr. Rodriguez: We got to consider that we are giving somebody full access to the building. As a renter, if that's what we are going to do, I would want full access.

Ms. Llanes: This action is to give them partial access. Were not talking about giving them full access. It's going to be during hours that we are hear. Were going to put our requirements. You going to use this space, were going to provide this and that, and we are going to set our guidelines

Mr. E. Rodriguez: I understand, but a lot of people are not going to agree.

Ms. Llanes: People are asking for it.

Mr. E. Rodriguez: There going to have a problem with access. It's just a question so we can understand that we are allowed to rent to somebody

Ms. Llanes: Were going to set our guidelines whether to be there and no one is using it

Mr. E. Rodriguez: I am not against it, you got to understand that.

Mr. Gomez: That's just going to limit people that can use it

Mr. E. Rodriguez: See what I am saying, its limiting already. It's not that I am against it, we just need to put guidelines where they understand

Ms. Llanes: That would be a calander set up. Couldn't we do that Mario? Calander set up with hours.

Mr. R. Rodriguez: Has anybody from UTRGV been here to see everything?

Mr. Palomo: Recent, no

Mayor Galvan: They have a sign up front. They have already used this space 3 years ago. They were using it, change of leadership, change of directors, there's a fall out there. Do we make an attempt to reach out, is it on them, were just passing the football back and forth. There doing well in other communities, we wanted a footprint here we got it.

Mr. Gomez: I agree with Mr. Rodriguez. Once we get a director, a better foundation of we how the EDC wants to further develop this aspect.

Ms. Llanes: Let's table it.

Mr. E. Rodriguez: I motion to table

Ms. Llanes: Motion to table has been made by Mr. Rodriguez on the authorization of partial rental space of SBEDC offices. Motion has been made by Mr. E. Rodriguez to table it. Do we have a second?

Ms. E. Guerra: I will second

Ms. Llanes: And has been seconded by Ms. E. Guerra. All in favor: 7 Anyone opposed: 0 motion to table passes unanimously: 7 -0

14. Consideration and possible action on USDA Loan Program

Mr. Palomo: One loan that is a consistent late pay is Delia's Day Care. Stephanie I got a question for you as I am reading this report, where is the past due.

Mrs. Sarrionandia: Delia's they are

Ms. Llanes: They mature in '27

Mr. Palomo: The question is what would you like to do because this has come up before. Do you want to restructure?

Ms. Llanes: We had at one time thought of lowering the rate. We can amortize it again a little bit further out if they need more time to, less pay I am not sure. Cause there late, right. When does it mature? '27. Do you know the month? But it does not say what month

Mrs. Sarrionandia: You may want to increase the late fee cause it is kind of small, so they tend to leave it and then pay all at once. So it seems like its just 30 something dollars. It's probably 2 months

Mr. E.. Rodriguez: Is that 2 months because it only show it for December. If you go across, its $79.72

Mrs. Sarrionandia: $79.72. You may want to increase that if you are planning to increase it or give her a little more time maybe it would her to be on time.

Ms. Llanes: There down to about 1/3 off the balance out of the $150k. That's why I am saying to extend because it is coming up on '27. Is it possible to do that,.

Mrs. Sarrionandia: We can bring it to the board if you want to do that.

Ms. Llanes: See what I am saying, there down to

Mr. E. Rodriguez : There at 4% 5% and there due date is '27

Mr. Palomo: We can put the late pays at the back end. It meets the obligation of paying the principle.

Ms. Llanes: It's to help, I do not want to lower the rate.

Mr. Palomo: That is why I am saying, you can extend them at that time

Mr. E. Rodriguez: Are they late right now?

Mrs. Sarrionandia: Yes

Mr. E. Rodriguez : For what months

Mrs. Sarrionandia: They paid up to December '25.

Mr. E. Rodriguez: So its January, February, March, April, May, June, July

Ms. Llanes: Wait a minute, they still have a whole year. It looks like they mature in July '27 That's what you have here in July. I am looking at it right here. It's July, so one year remains. So lets have a conversation with them.

Mr. R. Rodriguez.: So they have not paid since December

Mrs. Sarrionandia: So they wait and catch up, does that makes sense

Ms. Llanes: I would like to table it

Mr. Pruneda: I also would like to take a look. This is the first time its come before the board and I have not had an opportunity to look at it so I can take a look at the USDA guidelines. I want to know what it is we can do, these are federal monies.

Ms. Llanes: Lets table this.

Mr. E. Rodriguez : Is that what you are asking, to table?

Mr. Pruneda: I just want more time. I think you can use the time to bring them in and see ..

Mr. E. Rodriguez : Motion to table

Ms. Llanes: Motion possible action on USDA Loan Program to table it until we have spoken to the borrower. So I motioned and Mr. E. Rodriguez seconded. All in favor: 7 Anybody opposed: 0 Motion passes unanimously: 7 – 0

15. Consideration and possible action on SBEDC bus, including but not limiting to wrap, A/C, and other maintainance

Ms. Llanes: I think there is a design that was made on the wrap

Mr. Palomo: We also went out and got some quotes. You will see the schedule behind the rendering. This is aged, this is in May when we were working on this. At that time, this is the information that we acquired

Ms. Llanes: These are several different companies that would say this is what they would charge us

Mr. Palomo: We talked to seven, only 5 responded

Ms. Llanes: First and foremost, do we like what we are seeing here?

Mr. Palomo: This rendering comes from the Grafic Spot, they were the only ones that actually came and looked at the bus. Everybody else just sent information

Mr. E. Rodriguez: And they are the highest

Ms. Llanes: So has SouthTexas Lighting services seen this, Mario?

Mr. Palomo: No

Mr. E. Rodriguez: Not physically inspected

Mr. Palomo: South Texas Lighting never physically inspected the bus, so it's difficult to make a rendering

Mayor Galvan: What are the uses for the bus again?

Mr. Palomo: To use for events, whenever we have visitors, officials who come down and want to take a look at the city.We can utilize it for that, parades, and whatever else the board sees fit.

Mr. E. Rodriguez:And who is going to be driving it

Mr. Gomez : Does it require a CDL

Mr. Palomo: Yes. The only one that can drive it is our associate from the city, JB

Ms. Llanes: This is just a wrap

Mr. Palomo: Yessir

Mr. Gomez : Does the bus work

Mr. Palomo: Yes

Mr. Gomez : Air condition fixed?

Mr. Palomo: The air condition has not been fixed, no

Mr. E. Rodriguez: Is that the only thing that's wrong with it

Mr. Palomo: No

Mr. Gomez : Should we get a safety inspection and take it to a local shop and see what's that is going to be

Ms. Llanes: I thought someone had already looked at it, Mario

Mr. Palomo: Mr. Palomo: When they purchased it. That was the our previous executive director

Ms. Llanes: Exactly

Mr. Palomo: Mr. Palomo: We have that inspection. That was I believe in December '25 when we purchased it

Mr. E. Rodriguez: Is it mechanically sound cause I heard that there was problems with it

Ms. Llanes: You did not get brand new

Mr. E. Rodriguez: were not going to stick money into it

Ms. Llanes: Well its funny cause everybody wants it

Mr. E. Rodriguez: Maybe we can go another route and sell it and get rid of it. Why are we going to sink money that never ending. I have had trucks and believe me it's a never ending thing

Mayor Galvan: Have we attempted to fix the a/c

Mr. Palomo: Okay so there are two a/c's. There's the a/c that comes with the bus, and there's the auxiliary one that is run by a generator. The auxiliary a/c works just fine, it's the a/c that is part of the motor in the bus that needs repair

Mayor Galvan: Has there been an attempt to get it repaired

Mr. Palomo:: My understanding is when we got the bus, a mechanic did look at it but we do not have the document. That was done by serveral folks from the city side. And they provided the inspection report and that's all we got, and it said that everything was fine. And if you turn it on and you turn on the a/c you will notice it

Mr. Nunez: Where was it driven from point a to point b. Was it brought from somewhere

Mr. Palomo: They brought it to us

Mr. Nunez: Did we buy it from a company

Mr. Palomo: No, an individual

Mr. Nunez: Who brought it here. So when he rode it, it was fine.

Mr. Palomo: I am not sure. I cannot answer that

Ms. Llanes: Yes it was

Ms. Llanes: So we paid how much for the bus?

Mr. Palomo: $9000

Ms. Llanes: So were looking at some of these figures here,were going to spend more than $10,000's. At the top of my head, I'm just saying. Can we sell the bus, does someone want to buy the bus?

Ms. Llanes: We need to find out first what we are going to design. Because you are talking about something that is not, we really do not have where they have seen it. So we really do not have real numbers.

Mr. Palomo: We reached out to them.

Ms. Llanes: what I am saying is do we have real numbers

Mr. Palomo: Yes ma'am, we reached out and got quotes.

Ms. Llanes: but has they seen the bus

Mr. Palomo: I understand that, but they submitted quotes

Ms. E. Guerra: So we just table it and get it right

Ms. Llanes: Exactly

Mr. E. Rodriguez: You did not put Chuy's Custom Sports, they do wraps

Mr. Palomo: Who is it

Mr. E. Rodriguez: Chuy's Custom Sports. That's nothing personal. This is business, he wraps, he does a lot of stuff

Mr. E. Rodriguez:: I think your absolutely right, exhaust you option. But most importantly, also consider what's the cost to fix what needs fixing so we can. We are going to get a design, approve a design, and we do not know how much we are going to spend. I do not know when would be the next presentation, but here is the cost of the a/c, here is the cost of this, this is the report of the bus, this works and this does not, kind of give us a full glimp because now were we are looking at, this is the total investment and its $30,000's, and it does not make sense at that point.

Mayor Galvan: My question since finance is here do we have any invoice that says we spent money on this already?

Mrs. Sarrionandia: I do not have them with me, but I know that there has been expense associated with the bus. If I had to off the top of my head. 3 times it was taken to JJ's, 1 time to Barrientos.

Mr. Palomo: There has been cost. One instance, the bus was parked at the water plant on the grass, and when it was moved the antifreeze hose ruptured. So they had to come and fix it.

Mr. Pruneda: So I guess the board can also decide if it wants to keep this depreciating asset or liability for that matter and I know there has been interest from other departments that they may want to take it on, that's an option for this board.

Mayor Galvan: On the city side, I would like to suggest a mobile spay and neuter clinic

Ms. Llanes: we will take it into consideration. I think we wanted to table it.

Ms. E. Guerra: yes we wanted to table it.

Ms. Lllanes: Consideration and possible action on SBEDC bus, including but not limited to wrap, A/C, and other maintenance, been motioned by Ms. E. Guerra and wants to table it, and I am going to second that motion. Till we get the numbers and all that stuff. All in favor: 7 All opposed: 0 Motion to table passes unanimously

16. Discussion on upcoming TEDC events

A discussion of any upcoming events and workshops. Board members were notified that they could attend or take the web based training.

17. 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

Mrs. Llanes: moved to executive session. It is now 6:57 we have now gone into executive session

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: 8:01 pm

Mrs. Anna Garza Llanes: The time is 8.01 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)

18 Meeting Adjournment

Mr. Daniel Cortez: Motion to adjourn

Mrs. Anna Garza Llanes: It is now 8:03. The meeting is adjourned

The meeting was adjourned at 8:03pm

Approved this 10th day of August 2026.

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