

Eduardo A. Garza and	§	In the District Court
Uni-Trade Forwarding, L.C.,	§	
Plaintiffs,	§	
	§	
v.	§	49th Judicial District
	§	
Hector Farias, Voices in	§	
Democratic Action (VIDA),	§	
and Jose A. Valdez,	§	
Defendants.	§	Webb County, Texas

AFFIDAVIT OF EDUARDO A. GARZA

STATE OF TEXAS

COUNTY OF WEBB

BEFORE ME, the undersigned notary public in and for said County and State, on this day personally appeared Eduardo A. Garza, known to me, and after being duly sworn, state on oath, as follows:

1. "My name is Eduardo A. Garza. I am over the age of eighteen (18), of sound mind, and have never been convicted of a felony or crime of moral turpitude. I am in all respects competent to make this affidavit. All of the statements contained herein are true and correct within my personal knowledge.
2. I am the founder and one of the owners of Uni-Trade Forwarding, L.C. ("Uni-Trade"), Uni-Trade Brokers, LLC, Uni-Trade Brokers, S.C., Garros Services, L.L.C. ("Garros"), RGG Holdings, L.L.C., Air-Trade Laredo, LLC ("Air-Trade"), and other companies.
3. I have never offered any money, gifts, favors, of anything of value to any City, County, State, or Federal elected official in exchange for actions,

votes, recommendations, or exercises of their discretion in their official capacities.

4. My actions and efforts in acquiring leases of airport property from the City of Laredo for Uni-Trade and Air-Trade were in accordance with City of Laredo ordinances and policies and applicable law. There were public requests for competitive bids, but ultimately, no one else submitted a bid to compete with the bids of Uni-Trade or Air-Trade. The votes in favor of these leases by the City Council were unanimous. The City of Laredo receives payments of rent from Uni-Trade and Air-Trade under these leases.

5. My actions and efforts in pursuing the contract for the management and operation of the refrigerated facilities at the commercial bridges in Laredo for Garros were in accordance with City of Laredo ordinances and policies and applicable law. The bid was awarded to Garros based on its merits and strength of the bid and the relative weakness of the other two competing bids. The bid was not awarded because of my business relationship with Charlie San Miguel, nor my friendship with Mayor Raul Salinas, as neither voted in this bid contest. Moreover, I did not offer or provide anyone any money, contribution, or anything of value in exchange for support, recommendations, or votes with respect to this bid.

6. In early December 2011, Humberto Gonzalez Betancourt told me that Jose Valdez, Jr., visited him at his home and told him that I was being investigated by law enforcement authorities. That is a false statement which prompted me to request that my attorney send Mr. Valdez a letter asking to cease and desist disparaging me. That letter was sent in early December 2011.

7. In early December 2011, at his office at City Hall, Carlos Villarreal told me that Hector Farias had recently told him on multiple occasions that I am a drug dealer. On that same occasion, Mr. Villarreal told me that Mr. Farias stated to him that I sell weapons in Mexico.

8. I never asked my nephew Gilberto Garza to do anything with respect to the bid that Garros Services, L.L.C., submitted to the City of Laredo in November 2011. In fact, I never spoke with him regarding the bid or the bid

contest. I also never spoke with Gilberto Garza regarding his interest in a county position nor his efforts to get hired by Webb County. I also never asked Webb County Judge, Danny Valdez, nor any Webb County Commissioner to vote in favor of the employment of Gilberto Garza.

9. VIDA endorsed and published a statement made by Jaime Mendoza that I control Webb County Commissioner Jaime Canales and certain other Commissioners as well as City Councilman Charlie San Miguel. That statement is false. I do not control any elected official. In fact, Defendants complain that Charlie San Miguel voted in favor of the two airport leases, but these votes were unanimous and there was no competing bids. Moreover, Charlie San Miguel abstained from voting on the Garros bid. As far as Commissioner Canales and the other Webb County Commissioners, other than a request for the paving of a street in a rural neighborhood where the school buses had trouble accessing after inclement weather, I have not submitted, nor any company in which I have an interest has submitted, a bid or contract for vote or approval by the County Judge, County Commissioners, or the Commissioners' Court. There simply is no factual basis for the statement made by Mendoza and endorsed and published by VIDA.

10. The statements by Jose Valdez that I'm under investigation by law enforcement authorities, Hector Farias' statements that I am or was a drug dealer and that I sell weapons in Mexico, and the statements made by Farias and VIDA that I engage in bribery, tampering with bid contests, and unethical, corrupt, and criminal activity in offering or giving money or items of value in exchange for votes, recommendations, or actions by elected officials are false and extremely disturbing to me. I have worked long and hard and in accordance with a high ethical and moral code and had established in this community a positive personal and business reputation. The same can be said for the businesses in which I engage, especially Uni-Trade Forwarding, L.C. ("Uni-Trade"), which recently acquired the naming rights to the new baseball stadium. In this regard, Uni-Trade is supporting the economic viability of the new stadium and baseball team, helping create new and exciting quality of life options for the citizens of Laredo. The payments are approximately \$15,000 per month. Over the life of the contract, the payments exceed \$1,800,000.

11. Because of the statements made and/or published by Valdez, Farias, and VIDA, which I mention in this Affidavit, I have experienced anxiety due to the impact they are having on my personal and business reputation, the risks of harm they are creating for my family and employees, and because of the impact they are having on my business partners. This anxiety is disrupting my sleeping patterns and, thereby, adversely affecting my energy levels, demeanor, productivity, and ability to focus. In turn, my inability to be as productive as before causes additional anxiety as I am unable to attend to my daily personal and business affairs as I used to before these statements were made.

12. Also, because of the statements, I decided that the companies in which I own an interest had to sever their relationship with Charlie San Miguel in an effort to cause a decrease in their frequency and severity. This has required that the companies hire two new people to reassign the duties that Charlie San Miguel used to handle. Luis De Leon is one of the new employees. He was hired to take care of construction supervision in LaSalle County. Francisco Favela is the other new employee. He was hired in Laredo to do accounting work which frees up some time for Enrique Flores to handle oil and gas matters in La Salle County and other businesses derived from real estate holdings in Webb County. The net additional amount the companies have to pay on a monthly basis to new employees hired as a result of the severing of the business relationship with Charlie San Miguel is \$1,454.09.

13. Due to the statements, I have a fear that the criminal element, especially in Nuevo Laredo, Mexico, will become emboldened about extorting me or kidnapping me, my family or employees. The existence of rumors about me being a drug dealer and a criminal can serve to embolden sophisticated criminal players, or unsophisticated copycats. It is my belief that the perception that I am a criminal or possess weapons or the fruits of illicit activity reduces the hesitation for the criminal element to make victims of me, my family, or my employees. For this reason, I decided to move my daughter, Velia del Carmen Garza Hernandez, from Nuevo Laredo, Mexico, to Laredo, Texas. To accomplish this, I have purchased a vehicle for her and have paid a down payment for a townhouse where she will live. I pay \$646.52 each month for the vehicle and that expense started in August

2012. I signed a contract for the townhouse, which is under construction, and have paid \$31,018 toward the purchase price. I would not have incurred these expenditures if the statements had not been made.

14. Due to the statements, the manager of Uni-Trade Brokers, SC, a company in which I have an interest in Mexico, has decided that he no longer wants to stay in Nuevo Laredo when he travels to the Uni-Trade office in Nuevo Laredo for approximately 10-15 days out of the month. The types of statements that were made increase our concern that he will be kidnapped or harmed. For this reason, he is now staying in an apartment in Laredo, Texas, that was previously available to all employees who traveled to Laredo, Texas on company business. Now that the Laredo apartment is no longer available to all employees, the companies have had to incur hotel expenses that previously would have been avoided. One example of this is that between December 6, 2012 and December 9, 2012, Uni-Trade paid for a room at the Embassy Suites in Laredo for Ricardo Cervantes, who is an employee based in Mexico City. The total hotel expenses was \$492.46.

15. Due to the statements, I have a fear for the safety of my brother, Jorge Garza Robles, and his family who live in Nuevo Laredo, Mexico. For this reason, I have paid \$4,500 for an attorney to prepare and submit a naturalization application for him.

16. Due to the statements, Salvador Rosas, who is a co-owner with me in Garros Services, LLC, has advised me that he desires to part ways in certain investments and businesses. On or about March 20, 2012, he asked to be bought out of RGG Holdings, LLC, which owns Lot 1, Block 1, Las Palmas Subdivision, Phase IV, in Cotulla, LaSalle County, Texas (the "Palmas Property"). Accordingly, Mr. Rosas has been paid \$45,000 so far for his ownership interests. Attached is a copy of one of the checks I have delivered to Mr. Rosas. Also, in late October 2012, the statements caused Humberto Gonzalez Bentancout, another co-owner in RGG Holdings, L.L.C., to cancel the project we had been developing on the Palmas Property. More specifically, Gonzalez Betancourt decided to cease development of an apartment complex and instead sell the property. Not being a project I wanted to do on my own, we have put the property in the market. We had already spent \$15,425.95 in developing the apartment complex.

17. Law enforcement agencies have not visited or otherwise contacted me in connection with any investigation of me or any company in which I own an interest. I have no knowledge of any reason why any person would believe that law enforcement agencies are investigating me. As far as I know, no one other than the Defendants have ever made such comments.

18. As far as campaign contributions to Laredo city and county elected officials since 2010, I have made the following: (A) Mayor Raul Salinas – in kind contribution of \$12,291.97 on July 1, 2010; (B) Councilman Jorge A. Vera – contribution of \$750.00 on May 13, 2011; (C) Councilman Juan Narvaez – contribution of \$500.00 on November 26, 2010; (D) Councilman Joseph Michael “Mike” Garza – contribution of \$2,500 on June 26, 2010; and (E) Cynthia Liendo – contribution of \$1,250 on September 12, 2012 and (F) Jaime Canales \$1,000.00.

19. As far as trips on the airplane owned by a company in which I own an interest, Councilman Charlie San Miguel took three business trips in June 2012 and July 2012. They concerned business projects on which he was assisting me and companies in which I own an interest. Additionally, Mayor Raul Salinas travelled in 2008 and 2009 to Mexico to meet with the Governors of Michoacan and Veracruz. In December 2008, Mayor Raul Salinas travelled to Dallas to watch a football game.

20. As far as gifts to Laredo city and Webb County elected officials, for Christmas 2009 and 2010, I gave a coffee cake worth \$18.00 to the city and county officials but I did not keep a record of the specific people to whom they were delivered. In 2011, I gave Laredo city and Webb County elected officials, either a bottle of tequila worth \$35.00 or a small briefcase worth \$40.00 but I did not keep track to whom specifically these items were delivered. In 2010, I also gave Mayor Raul Salinas a tie worth approximately \$100.00 because we have been friends for more than 20 years.

21. On March 17, 2009, Uni-Trade donated \$500 to the City of Laredo for the annual Washington trip. On February 23, 2011, Uni-Trade donated \$2,500 to the annual Washington trip. On January 18, 2012, Uni-Trade donated \$2,500 to the City’s annual Washington trip.

Further affiant sayeth not.”

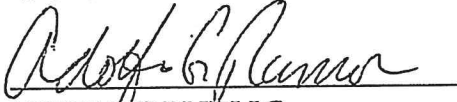


Eduardo A. Garza

STATE OF TEXAS §

COUNTY OF WEBB §

SWORN AND SUBSCRIBED TO before me by Eduardo A. Garza on
this the 7th day of January 2013.



NOTARY PUBLIC
STATE OF TEXAS

