

MINUTES
REGULAR CITY COUNCIL MEETING
August 13, 2018 at 6:00 p.m.

1. Call to order.

Mayor Danner called the meeting to order at 6:00 p.m.

2. Quorum check.

Mayor James W. Danner, Sr., Councilman John McAnelly, Councilman Eric Torres, Councilman John Villa, Councilman Bobby Vela, City Attorney Frank Garza, City Manager Kim Davis, and City Secretary Miguel Cantu

Absent: Mayor Pro Tem Ann-Michelle Long

Staff present: Police Chief Brian Valenzuela, Assistant Finance Director Dee Willman, Public Works Director Mark Velasquez, Economic Development Corporation Director Genevieve Flores, Parks & Recreation Manager Karissa Gonzalez, Aviation Director Ryan Elder, and City Planner II Shavon Caldwell, Electric Superintendent David Baker

3. Invocation by Reverend Steve Schur, Bethlehem Lutheran Church.

4. Pledge of Allegiance led by Mayor Danner.

5. Citizens' Comments

Chavel Lopez, 1401 14th Street, stated the importance of the recycling center. The City continues to need the recycling center. There are a number of residents in Hondo that are using the recycling center. The collection station is important to the residents and cannot be shut down according to Mr. Lopez. Recycling is too important to the City and the environment. We need to save the earth for future generations.

Florestela Gonzales, 1002 Avenue S, would like to see another spay and neuter added to the budget. The City currently has only 2 clinics to neuter pets but, the City should consider having three throughout the year. At each clinic only approximately 25 animals are treated costing the City only \$3,000. The City could afford another clinic by adding to the budget another \$3,000 for another clinic day. The City needs to consider there are a lot of animals that are not spayed or neutered that really need to be. She is requesting that the City add another spay and neuter day to the budget because twice a year is not enough.

6. City Manager Report(s)

a. Introduction of Sharon Garcia, Human Resources Coordinator

Mrs. Davis presented Mrs. Sharon Garcia as the City's new Human Resources Coordinator replacing recently retired Velma Hernandez. Mrs. Garcia addressed the City Council thanking them for the opportunity to join the City of Hondo. She stated she comes from working at the Medina Hospital in the Human Resources Department. Mrs. Garcia looks forward to working with everyone at the City of Hondo.

7. Discuss and consider the proposed city property tax rate for FY 2018-2019 and record the vote for publication of notice of public hearings.

Dee Willman, Assistant Finance Director presented the Tax Rate of \$0.5109 per \$100 for the 2018 tax year. The preceding year the tax rate was \$0.5139 per \$100. The 2018 Effective Tax Rate \$0.4839 per \$100 which is less than the proposed rollback rate. The rate of \$0.5109 is the rate that was presented at previous budget workshops. Mrs. Davis emphasized the City received the calculations from Medina County Tax Assessor/Collector Melissa Lutz, PCC. Mrs. Willman recommended accepting the tax effective rate for fiscal year 2018-2019. Mayor Danner called for a record vote.

Councilman McAnelly moved to approve a tax rate of \$0.5109/100. Motion seconded by Councilman Villa.
Mayor Pro Tem Long: Absent
Councilman Villa: For
Councilman McAnelly For
Councilman Vela: For
Councilman Torres: For
Motion carried 4-0.

8. Discuss and consider the following dates for tax rate public hearings, budget public hearings, and council meeting to adopt the budget and tax rate for FY 2018-2019.

- a) **Monday, August 20, 2018 City Council Special Meeting and Budget Workshop at 6:00 p.m.**

Hold 1st public hearing on proposed tax rate

Hold 1st public hearing on the proposed FY 2018-19 Budget

- b) **Monday, August 27, 2018 Regular City Council Meeting at 6:00 p.m.**

Hold 2nd public hearing on proposed tax rate

- c) **Monday, September 10, 2018 Regular City Council Meeting at 6:00 p.m.**

Hold 2nd public hearing on proposed FY 2018-19 Budget; adopt budget; adopt tax rate

Mrs. Willman presented the Public Hearing dates for the budget and the tax rate for FY 2018-2019 emphasizing these were dates that would lead to the adoption of the Tax and Budget Ordinance on September 10, 2018. Councilman Villa moved to approve the presented tax rate public hearing dates, budget public hearings, and council meeting for FY 2018-2019. Motion seconded by Councilman McAnelly. Motion carried 4-0.

9. Discuss and consider Employee Benefits Package Insurance Renewal/Extension.

- a) **Blue Cross/Blue Shield for Medical**
- b) **Ameritas for Dental**
- c) **Ameritas for Vision**
- d) **Humana Go365 for Wellness**
- e) **Mutual of Omaha for Life & AD&D**

Mrs. Davis presented Mrs. Jenni Haff, Managing Director at Wortham Insurance. Mrs. Haff stated that the renewal of the current insurance would not add any financial impact to the employees. She highlighted that employees have not had as many claims during the year which led to a no increase for the next year. She highlighted that 2017-2018 annual employer contribution was \$505,285 for medical, dental, life, vision, and life insurance. For the 2018-2019 year, the employer contribution would remain the same at \$505,285 for medical, dental, life, vision, and life insurance.

Councilman Torres moved to approve the Employee Benefit Package Renewal/Extension. Motion seconded by Councilman Vela. Motion carried 4-0.

10. Discuss and consider Ordinance No. 1181-08-18, an ordinance of the City Council of the City of Hondo, Texas authorizing amendments of the adopted annual budget of the City of Hondo, Texas for the 2017-2018 fiscal year providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing for other matters related to the subject. (Dee Willman)

Mrs. Davis presented budget amendments that included the Golf Divisions annual payment of \$15,000 for summer water usage that was inadvertently left out of the budget. Also, the ordinance includes an amendment for the City's USDA Grant/Loan contribution in the amount of \$46,011.00 for two police vehicles. Mayor Danner asked why the Golf Department would make the payment for water. Mrs. Davis responded this was a practice that had been done from managers before she was with the City.

Councilman Vela moved to approve Ordinance No. 1181-08-18. Motion seconded by Councilman McAnelly. Motion carried 4-0.

11. Discuss and consider declaring the items noted on the surplus declaration log as Surplus Property of the City of Hondo.

Electric Superintendent David Baker presented the City's items for surplus noting that some of the items were unrepairable. The list included items from the Police Department's seizure. All the items will be auctioned off online www.GovDeals.com. The website provides services to various agencies that allow the sale of surplus and confiscated items on the Internet. Mr. Baker believed this would be the best way to sell city surplus items and receive a higher return. He had met with a representative that would assist with the auction. Councilman Villa asked about some of the items the City may be able use such as the Pathfinder. The Pathfinder is a Police Department seizure and is not in good condition. Councilman Torres asked about the 2000 and 1999 Ford trucks. Mr. Bakers stated the vehicles were beyond repair and the cost to repair exceeded their value. Mr. Baker presented the following Surplus City Property Log:

Surplus City Property Log - 8/1/18									
Item	Division	Type	Year	Make	Model	Mileage	Hours	Location	Issues
1	Electric	Pickup	1999	Ford	F-450	68,218	N/A	Storage	VIN #1FDXF46S7XED05873, Engine issues; Flashed
2	Electric	Trencher	1993	Ditch Witch	3610-DD-LSB	N/A	1107	Storage	Ser#3K0222, Condition rough
3	Streets	Pickup	2000	Ford	F-450	63,091	N/A	Streets Yard	Via #1FDXF465XYED68208, Dump Bed
4	Streets	Pavement Marker	Pre 2010	Titan	ProMark 690	N/A	N/A	Streets Yard	Missing hose & nozzle
5	Streets	Saw Cut Machine	Pre 2010	Pro-Cut	YMM-211	N/A	N/A	Streets Yard	Does not start
6	Recreation	Fitness	N/A	Life Fitness	Elliptical	N/A	N/A	Red Barn	Minor frame damage
7	Recreation	Fitness	N/A	Life Fitness	Elliptical	N/A	N/A	Red Barn	Minor frame damage
8	Recreation	Fitness	N/A	Cap	Dumbbells	N/A	N/A	Red Barn	10-75lbs set, rusted
9	Recreation	Fitness	N/A	Promaxima	Rack	N/A	N/A	Red Barn	Dumbbell rack, Holds 15-20 pair
10	Recreation	Fitness	N/A	Life Fitness	Bicycle	N/A	N/A	Red Barn	Missing heart rate sensor
11	Recreation	Fitness	N/A	Life Fitness	treadmill	N/A	N/A	Rec Center	Incline motor does not work
12	Recreation	Fitness	N/A	Life Fitness	treadmill	N/A	N/A	Rec Center	Motor needs replacement
13	Airport	Shredder	1996	Rhino	SR-15	N/A	N/A	Storage	Condition unknown
14	Golf Course	Aerator	Unknown	Ryan	Greensaire 24	N/A	N/A	Golf Yard	Clutch not engaging
15	Golf Course	Aerator	Unknown	Ransomes	30-12	N/A	N/A	Golf Yard	Rough but running October 2017. Needs some repairs.
		PD Lots							
16	1	Tools	N/A	Various					2 string trimmers, 1 edger
17	2	Tools	N/A	Various					3 Leaf Blowers
18	3	Tools	N/A	Various					Misc. Hand Tools
19	4	Tools	N/A	Various					Misc. Pruners, Levels, speakers, lights
20	5	Tools	N/A	Various					Misc. Power tools, drills
21	6	Tools	N/A	Various					Vacuum, sander, chargers
22	7	Sports	N/A	Various					Golf clubs, scooter, bats, cues, arrows
23	8	Tools	N/A	Various					Air compressor, sprayer
24	9	Tools	N/A	Various					Edger & Trimmer attachments
25	10	Tools	N/A	County Line					Shop floor fan
26	PD	SUV	2001	Nissan	Pathfinder	206,477	N/A		Four Door, LE 3.5, Silver

Councilman Villa moved to declare items noted on the surplus declaration log as Surplus Property and sale at govdeals.org. Motion seconded by Vela. Motion carried 4-0.

12. Discuss and consider authorizing the City Manager to enter into a task order contract with CDS Muery for an amount not to exceed \$56,500 for the Castro Street project.

Mr. Velasquez stated that Castro Avenue has seen an increase in traffic. In the Economic Development Corporation budget there is \$525,000 for Castro Avenue-90 street repair. He is requesting the City approve the amount of \$56,500 for engineer services from CDS Muery to begin the project. Councilman Villa asked why we needed to pay an engineer and not just repair the street. City Attorney Frank Garza stated that state law requires engineer on city projects and an engineer service would be required for a major roadway repair. Mrs. Davis added that CDS Muery provides a service at a set rate because they are our City Engineer. Councilman Torres asked how the intersection of Castro Avenue and Carter Street pavement was holding. Mr. Velasquez responded the intersection was holding up with the heavy traffic at the intersection and this area would not require any repairing.

Councilman moved to authorize the City Manager to enter into a task order contract with CDS Muery for an amount not to exceed \$56,500.

Councilman McAnelly moved to approved CDS Muery for an amount not to exceed \$56,000. Motion seconded by Councilman Vela. Motion carried 4-0.

13. Discuss and consider adopting the 2018-2019 Airport Land Marketing Strategic Plan as put forth by the CoHEDC.

Economic Development Director Genevieve Flores stated that staff recently began researching, validating and verifying the airport properties. She introduced a color coded map identifying property that had been released and sold, released and available for sale, proposed land on which a release will be requested, city use, and sold to city. She stated that there is land of approximately 264.379 acres located south of the City's Nature Trail and 107.979 acres located west of South Texas Liquid Terminal for which we will be requesting FAA to release so that the sale of the property could begin. Mrs. Flores also pointed out properties that were sold to the city that included the Public Works and Police Department sites. She emphasized that she is requesting the approval from City Council to adopt the 2018-2019 Airport Land Strategic Plan and also appointment of two city council members to serve on the sub-committee that will put together a marketing/pricing plan for the available property to be approved by the CoHEDC and City Council. Mayor Danner recommended Mayor Pro Tem Long and Councilman Vela to serve on the sub-committee which will also have two members on the EDC Board.

Councilman McAnelly moved to adopt the 2018-2019 Airport Land Marketing Strategic Plan and appoint Councilman Vela and Mayor Pro Tem Long to serve on the sub-committee. Motion seconded by Councilman Villa. Motion carried 4-0.

14. Discuss and consider Ordinance No. 1182-08-18, an ordinance of the City of Hondo, Texas amending Ordinance No. 1014-03-14, contract for solid waste with ACI Recycling and Disposal (formerly Alamo 1) by extending the term of the contract for four years and adding services for brush and recycling.

Mrs. Davis stated she is requesting the City to extend the contract with ACI formally Alamo 1. The current contract expires September 2019; however, she is asking for an extension to the contract. The new extension would be for 4 years with a 1 year optional renewal and no CPI increase this fiscal year. There would also be an additional rate of \$1.82 per residential brush removal with an option for a feeto exceed 8 cubic yards. Once exceeding the customer would prepay \$5 for every 2 cubic yards which would be passed to the contractor. There were two options presented for recycling. One option would be a Contractor to have a fixed location run by the contractor for recycling of glass, plastic, paper, cardboard, etc. The second option is for a bi-monthly curbside service for \$3.42 a month. The recommendation was the fixed site location. The plan would be effective October 1st prior to which City Staff will create an educational pamphlet. Councilman Villa asked if a pamphlet would be created in Spanish. Mrs. Davis stated one could be prepared by August 17th. A letter regarding the collection station were also be executed by August 17th. Councilman Torres asked what would happen to employees who currently working at the collection station. Mrs. Davis stated the employees would be reassigned to other positions in parks. Councilman Torres moved to approve Ordinance No. 1182-08-18. Motion seconded by Councilman McAnelly. Motion carried 4-0.

15. Executive Session: The City Council of the City of Hondo convened in Executive Session at 6:53 p.m. and reconvened in Open Session at 7:18 p.m. in accordance with the Texas Open Meeting Act, Texas Government Code,

Section 551.071 (Consultations with Attorney) on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly requires discussion in closed session); Pending or contemplated litigation;

Section 551.072 (Deliberations about Real Property);

Section 551.087 (Deliberations Regarding Economic Development Negotiations)

- a. Discussion regarding potential lease, purchase or value of real property.
- b. Discussion regarding potential lease/sale of property located at the South Texas Regional Airport.
- c. Consultation with attorney regarding ongoing litigation impacting permitted Edwards Aquifer Water Rights.

16. Discuss and consider appropriate action resulting from Executive Session.

Motion was made by Councilman McAnelly, seconded by Councilman Vela to authorize the City

Manager to negotiate an extension of the airport dry farm lease with Mark Lamon for 5 years under the same terms if Mr. Lamon would agree to repair the farm irrigation well on the property. Motion carried 4-0.

17. **Adjourn.**

Councilman Villa moved to adjourn the meeting. Motion seconded by Councilman McAnelly. Motion carried 4-0.

PASSED AND APPROVED THIS 27TH DAY OF AUGUST, 2018.



JAMES W. DANNER, SR., MAYOR

ATTEST:



Miguel Cantu, City Secretary

