

MINUTES
REGULAR CITY COUNCIL MEETING
April 22, 2019 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., Mayor Pro Tem Ann-Michelle Long, Councilman John McAnelly, Councilman Eric Torres, Councilman John E. Villa, Councilman Bobby Vela, City Attorney Frank Garza, City Manager Kim Davis, City Secretary Miguel Cantu

Staff present: Police Chief Brian Valenzuela, Assistant Finance Director Dee Willman, Public Works Director Michael Schmidt, Water Superintendent William “Buddy” Stewart, Utility Billing Supervisor Misty Hernandez, Parks and Recreation Manager Karissa Gonzalez, Human Resources Sharon, Municipal Court Clerk Cassandra Maldonado, Library Aide Barbara Desrosiers, Parks Operator Albert Maldonado, Airport Service Technician II Chris Hernandez, Water Crew Leader Jeremiah “Jerry” Socarras.

3. Invocation by Pastor Randall Wehmeyer, Divine Savior Lutheran Church, Devine, Texas.

4. Pledge of Allegiance led by Mayor Danner.

5. Citizens’ Comments

Mr. John Fink, 404 PR 3408, Hondo, Texas, a local volunteer who spoke about 501(c)(3) organizations in the City of Hondo. Mr. Fink said he volunteers for the local Medina County Food Pantry and HANK (Helping Abused and Neglected Kids). Particularly, Mr. Fink stated that nonprofits make their community better in a multitude of ways. He asked for construction and inspection fees to be modified for nonprofits and further for the fees to disappear.

6. Discuss and consider approving the minutes from City Council April 8, 2019 regular meeting.

Councilman Villa moved to approve the minutes. Motion was seconded by Mayor Pro Tem Long.
Motion carried 5-0.

7. City Manager Report(s)

a. May Calendars

Mrs. Kim Davis stated that the May calendar is very active for the Library and Parks and Recreation highlighting some activities for the month of May. According to the State of Texas Election Calendar canvassing should take place between May 7, 2019 and May 15, 2019. City Staff is suggesting a Special Called Meeting on May 15, 2019, 5:30 p.m. to conduct the canvassing followed by swearing in of the Mayor and Councilmember elected. The City Council’s Regular Meeting is still scheduled for May 13, 2019.

b. Employee of the Quarter: Albert Maldonado

Mrs. Davis was pleased to announce on behalf of the City of Hondo Employee Committee Albert Maldonado Jr. who was selected as Employee of the First Quarter. Mr. Maldonado was nominated by Parks and Recreation Supervisor Karissa Gonzalez for always being an active employee. Additionally, Mr. Maldonado quickly accepts additional responsibilities to assist the city in various areas and is a member of the Employee Committee.

c. City of Hondo Employee Committee donation to Hondo Food Pantry

The City of Hondo Employee Committee President Albert Maldonado stated that the employees had a burger bag sale with all of the profits to be given to the Medina County

Food Pantry. Mr. John Fink from the Medina Food Pantry was presented with a check in the amount of \$2,000 from the Employee Committee.

d. Water Report

Mr. William “Buddy” Stewart presented the water forecast report. The report covered January through March 2019 followed by a prediction from April 2019 to December 2019. He stated that the first quarter is usually not affected; however the reduction occurs during the months of June through September. The report provided is based on current and historical records. It is expected that from July through September, the City could go through Stage One water restrictions and will remain in Stage One. With the current aquifer levels, the City will have sufficient water with its EAA allocation

e. Quarterly Financial Report

Mrs. Dee Willman presented the mid-year financial report which is also used as a starting point for working on the budget. Mrs. Willman explained that the total amount of taxes collected were at 94%. This would indicate that the majority of people have paid their taxes. The bond and sinking fund account only increases when funds for payment on city bonds are made through taxes. Some property taxes go to pay bond debts. She added that the revenues to the bond debts are much higher than budgeted while the expenses are still below the projected amount because of payment due dates. In the Water and Wastewater Fund account, Mrs. Willman reminded council that there were some budget amendments previously approved for approximately \$125,000 each for the Public Works campus. The Airport revenues are slightly above budget, but the expenses exceed their projected amount by \$48,000 above budget. The Sanitation Fund is very close to their budgeted amount with expenses at \$132,000 under the budgeted amount. The Economic Development Corporation revenue is currently reported at \$166,000. Expenditures for campus annexation project has been reimbursed to the EDC from the US Economic Development Administration in the amount of \$806,486. This reimbursement will drastically improve the EDC budget. Councilman McAnelly asked if there was anything out of the ordinary in the Airport Fund. He noticed the City was over the budgeted amount expected to be spent. Mrs. Davis stated that the Airport Fund paid for the appraisals to sell some airport properties. There are also Airport expenses in respect to fuel. The city has been selling more fuel and will cause the expenses to rise while it will level as the sale and revenue increase. Mayor Pro Tem Long asked what line item Airport Appraisals were deducted from, and Mrs. Willman stated the appraisals would be taken from the Non Airport Operating expenses.

Mayor Danner asked what the payments amount to the Texas Water Development Board. Mrs. Willman stated that she would follow up to the questions with an email. Mrs. Davis added that this would be the first time Mrs. Willman would have conducted the report alone without the assistance of an accounting service. Mayor Danner stated that he really did like the format for the report.

8. Discuss and consider accepting March 2019 Investment Report.

Mrs. Willman explained the 2nd Quarter Investment Report contained:

General Fund	16.853%	\$476,053.01
Debt Service	0.000%	\$0.00
Perpetual Care	19.151%	\$540,965.47
EDC	63.722%	\$1,799,979.22

Mayor Danner observed that there were more funds in the General Fund CDs than from the last time the report was reviewed. Mrs. Willman believes the increase is due to better interest rates that have increased the investment amounts.

Councilman Vela moved to approve the Investment Report. Motion was seconded by Councilman McAnelly. Motion carried 5-0.

9. Public Hearing on Juvenile Curfew Ordinance Second Public Hearing to be held by the City of Hondo City Council regarding the continuation of Ordinance 1088-03-16, the City of Hondo's Juvenile Curfew Ordinance for Minors, as provided by Chapter 8, Article 8.02, Division 2 of the City of Hondo Code of Ordinances in accordance with Section 370.002 of the Texas Local Government Code.

Chief Brian Valenzuela stated that the curfew ordinance is to be reviewed every three years and the ordinance had met its anniversary. The City had already conducted its first public hearing which was held on April 8, 2019. Chief Valenzuela stated staff reviewed the ordinance and was not recommending any changes.

Mayor Danner opened the Public Hearing at 6:28 p.m.

No comments

Mayor Danner closed the Public Hearing at 6:29 p.m.

10. Discuss and consider Ordinance No. 1196-04-19, adopting the provisions of Chapter 8, Article 8.02, Division 2, Section 8.02.031 of the City of Hondo Code of Ordinances, establishing a curfew for juveniles in accordance with section 370.002 of the Texas Local Government Code.

Chief Valenzuela stated he did want to mention that there were only 4 curfew citations issued in the past year. Again, the ordinance is recommended for approval with no changes to the renewal of the ordinance.

Councilman Vela moved to approve Ordinance No 1196-04-19. Motion seconded by Councilman Villa. Motion carried 5-0.

11. Discuss and consider Ordinance No 1197-04-19 amending Chapter 13 to revise and clarify provisions related to combined utility billing statements; utility applications; delinquency payments; partial payments; disconnection, and collection fees; repealing all parts of ordinances in conflict; providing a severability clause; an open meetings clause; and providing for related matters.

Mrs. Misty Hernandez stated that the staff was recommending changes to better assist its customers. The presented ordinance would allow for staff to be more efficient and a better process of utility payments.

- The exact changes requested are as follows:
 - Sec.13.01.001 Combined billing statement
 - (a) First sentence - change from all three (3) services... to all four (4) services
Second sentence – change from all three services... to all four services
 - (b) First sentence (twice in the same sentence)– change all three (3) of said... to all four (4) of said
Second sentence – change from said three (3) services... to said four (4) services
 - (c) First sentence – change from said three (3) services... to said four (4) services
Second sentence – remove sentence no discounts shall...
Third sentence – add sewer, electric and solid waste after water
Third sentence – change from before the twentieth (20th) day... to before the twenty-fifth (25th) day
 - Sec.13.02.032 Application for service: new service connect fee
 - (d) Second sentence – add electric and solid waste after due on the water, sewer...
 - Sec.13.02.036 Billing: delinquency
 - (a) First sentence – add electric and solid waste after all charges for water, sewer...
Third sentence – add 5:00 pm on after After...
 - (b) First sentence – add electric and solid waste after payment of water, sewer...
First sentence – remove the last part after prescribed period

- Sec.13.02.038 Partial payments
Second sentence – add electric after billing for water...
Second sentence – change garbage services to solid waste water services
- Sec.13.02.039 Disconnection for failure to pay charges
First sentence – reword sentence to Accounts that remain unpaid after 5:00 pm on the twenty-fifth (25th) day of the month and payable shall be...
Second sentence – add electric and solid waste after no additional water, sewer...
- Sec.13.02.043 Collection fee
Second sentence – change if the account is disconnected to once the account has been placed on the disconnection list.
- Third sentence – remove and replace with Payment must be remitted prior to 5:00 pm on the twenty-fifth (25th) day of the month in order to avoid any additional fees.

Mayor Danner asked when the original ordinance was created. Mrs. Hernandez stated from what she had observed the ordinances had not been changed since 1995. Mrs. Davis added that some individuals would drop off their payments on the 15th (due date) after hours in the drop box with the perception the bill was on time because it was delivered on the day and the time was not enforced. This was the same situation for the cut-off date on the 25th. If the ordinance is passed the past due date is on the due date at 5:00 p.m. Mrs. Davis added that utility payments, water division and electric department, identified this as a concern. Mrs. Hernandez reviewed the ordinance and recommended some corrections. Councilman Villa asked how the residents would learn about the change. Mrs. Davis stated the ordinance would not truly go into full effect until July to give customers time to get accustomed to the change. The enforcement in July would provide for a grace period. The monthly newsletter will also provide information about any changes to the process.

Councilman Torres asked how many individuals it would affect. Mrs. Hernandez stated that there are hundreds of individuals that submit after 5:00 p.m. and it takes several hours to process disconnections. Typically, the disconnect could not happen until after the lunch hours. Mrs. Davis added that there are multiple ways to pay including online and the monthly newsletter placed in the utility billing cycle could provide additional information about the changes to the ordinance. This could benefit the customers because it could provide almost an extra day to pay. Councilman Torres asked how many disconnects take place. Mrs. Hernandez replied that there is approximately and consistently 50 disconnects that are completed after working hours. For staff working after hours, this places staff in a safety situation.

Councilman Vela moved to approve Ordinance 1197-04-19. Motion seconded by Councilman McAnelly. Motion carried 5-0.

12. Discuss and consider Ordinance No. 1198-04-19 of the City of Hondo, Texas, adopting and enacting a new Code of Ordinances; providing for the repeal of certain ordinances not included therein; providing a penalty for the violation thereof not exceeding \$500 generally or exceeding \$2,000 for violation relating to fire safety, zoning or public health and sanitation or exceeding \$4,000 for violations relating to dumping of refuse; providing for the amendment of such code; and providing when such code and this ordinance shall become effective.

Mr. Miguel Cantu presented the codification ordinance that would adopt all the changes previously presented. The codification is all inclusive of the ordinances passed up to February 2019 and a review of the entire codification from the start of the ordinances have completed. In 30 days the City will receive approximately 15 books of codification once the ordinance is passed. City Council had previously asked for a cost estimate. The current cost, from an invoice received, was in the amount of almost \$3,000.

Councilman Vela moved to approve Ordinance No. 1198-04-19. Motion was seconded by Councilman Villa. Motion carried 5-0.

13. Update regarding Substandard Structures Campaign.

Mr. Joseph Ramon stated that he is providing an update to the Campaign on Substandard Structures. On March 4, 2019, the Development Services Division received approval to move forward with a campaign to address substandard structures within the City of Hondo. Phase two of the campaign was initiated on March 11, 2019, by beginning communication with property owners of four structures identified by staff with the highest need of repairs. In the letter property owners were informed of their options to: apply for a demolition permit within 30 days of receipt of their letter, apply for a repair and remodel permit within 30 days of receipt of letter with the completion of the repairs within 180 days, and/or request a hearing before City Council to justify why the structure was substandard. A letter was sent to 1502 Avenue U and the owner requested more time due to potential sale of the property. The property owner did apply for a demolition permit on April 16, 2019; so, staff will continue to monitor the property. The second property is located at 1309 Avenue R and there was demolition a permit issued on April 17, 2019 after the presentation was submitted. Demolition should start during the week. The third property presented was 210 16th Street. The property owner is in the process of finalizing the demotion of the structure. One room of the building will be salvaged and used as a storage shed. The room remaining is the better condition of the home and can be used as a storage shed. The final property is 1003 Avenue T and the property owner has indicated he wishes to grant the city consent to demolish the structure. Staff is in the process of reviewing the consent letter and will contact the property owner for signature. Bids were requested from two previous contractors who have demolished buildings for the city in the past and a third was found through research. In total there were four demolition companies contacted and the city only received 2 bids. The next steps will include continuing to monitor current substandard structure candidates, and identifying the next four or five candidates. Staff will begin the communication process with the property owner. One of the main reasons for focusing on 4 or 5 structures is to manage the budget, as one structure could possible exhaust the current budget and also to continue to update the list to identify substandard structures. Mayor Danner asked how much it would cost to demolish a structure. Mr. Ramon stated it would cost \$5,000 to \$8,000. Mr. Ramon stated that the total allocated amount in the budget is \$5,000. Mayor Danner asked how long it took to contact the four properties owners. Mr. Ramon stated it took a long time to identify the property owners and after they are notified a longer time was added to work on getting their property to compliance. Mayor Danner asked how long it would take to identify and finalize the process. Mr. Ramon stated the process would take approximately 60 to 90 days. Once the property is demolished, a lien is placed on the property. Additionally, if the property is sold, the lien must first be paid. Councilman McAnelly stated that the City did not want to get into the demolishing business. Councilman Villa asked if we needed to provide more time so the City Council should work with the property owner. Mayor Danner asked about grant programs; however, Mr. Ramon stated that the grant programs were directed for homes located in flood plain areas. Mayor Danner mentioned that there are programs for homes that can be repaired in underprivileged areas.

14. Discuss and consider Resolution No. 327-19 suspending the effective date for forty five days in connection with the interim rate increase requested by CenterPoint Energy Resources Corporation, D/B/A, CenterPoint Energy Entex and CenterPoint Energy Texas Gas, for its 2019 annual gas reliability infrastructure program (GRIP) for the South Texas division; finding that the meeting complies with the Open Meetings Act; making other findings and provisions related to the subject; and declaring an effective date.

Mr. Miguel Cantu presented Resolution No. 327-19 that will delay the increase for 45 days. The resolution is not to prompt a lawsuit. CenterPoint Energy is seeking to increase its rates as noted in a letter provided by CenterPoint. Mayor Danner stated the resolution is an annual resolution and recognized that this is a standard procedure.

Councilman McAnelly moved to approve Resolution No. 327-19. Motion seconded by Councilman Vela. Motion carried 5-0.


15. **Executive Session:** The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings 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
16. **Discuss and consider appropriate action resulting from Executive Session.**
No Executive Session held.
17. **Adjourn.**
Councilman Vela moved to adjourn the meeting at 6:58 p.m. Motion seconded by Councilman McAnelly. Motion carried 5-0.

PASSED AND APPROVED THIS 13th DAY OF MAY, 2019.



JAMES W. DANNER, SR., MAYOR

ATTEST:



Miguel Cantu, City Secretary

