

MINUTES

REGULAR CITY COUNCIL MEETING

October 28, 2019 at 6:00 p.m.

1. **Call to order.**
Mayor Danner called the meeting order at 6:00 p.m.
2. **Quorum check.**
Mayor James W. Danner, Sr., Mayor Pro Tem John McAnelly, Councilman Eric Torres, Councilman John E. Villa, Councilwoman Ann-Michelle Long, Councilman Bobby Vela, City Attorney Jessie Lopez, City Manager Kim Davis, City Secretary Miguel Cantu

Staff: Police Chief Brian Valenzuela, Economic Development Director Genevieve Flores, Public Works Director Michael Schmidt, Water Crew Leader Jeremiah Socarras, Police Lieutenant Rick Garza, Community Projects and Programs Coordinator Debbie Krueger, Code Compliance Supervisor Joe Ramos, Electric Supervisor David Baker, Water Supervisor William “Buddy” Stewart, Water Crew Leader Lance Ward, Wastewater Supervisor Steven Winters
3. **Invocation by Pastor Beverly Kelling, St. Paul Lutheran Church.**
4. **Pledge of Allegiance** led by Mayor Danner
5. **Citizens’/Public Comments.**
No comments.
6. **Discuss and consider approving the minutes from Regular City Council meeting of October 14, 2019.**
Councilman Vela moved to approve the minutes. Motion seconded by Mayor Pro Tem McAnelly.
Motion carried 5-0.
7. **City Manager Report(s)**
 - a. **Safety Slogan**
Ms. Davis announced the winner of the City Staff’s Safety Slogan as Water Crew Leader Jeremiah Socarras.
 - b. **November Calendar**
Mrs. Davis stated that the Library and Parks and Recreation were busy during the month of November. The City was also working on Diabetes Awareness Week with a butterfly release on Friday and also a Type 1 Diabetes Walk on Saturday. The library will continue its music series with Joyful Noise Concert at Memorial Square. The library will also play host to AACOGs Medicare open enrollment programs and several activities celebrating Dia De Los Muertos. Parks and Recreation will begin their registration for their basketball program.
 - c. **Water Report**
Water Superintendent Buddy Stewart stated this would be another good report for the year. No water restrictions are forecast because of the recent rains. The city, in comparison to the previous years, pumped 1, 549.436 acre-feet this year for an increase of 105.911 acre-feet from last year and a difference of 7.34%.
 - d. **Proposition 8: Flood Infrastructure Fund (FIF)**
Mr. Schmidt stated that the proposition would be providing for the creation of the flood infrastructure fund to assist in the financing of drainage, flood mitigation, and flood control budgets. Texas Water Development Board will administer the program with a low interest rate.

e. **Financial Report- 4th Quarter Budget Report**

Mrs. Davis stated that this was an unaudited budget report. Overall the report was an excellent report where revenues were up and expenses were at or below forecasted amounts. After the audit, staff will return to make the budget adjustments.

8. Proclamation: National Diabetes Month.

Mayor Danner read the Proclamation for National Diabetes Month.

9. Discuss and consider accepting 4th Quarter Investment Report

Mrs. Davis provided the 4th Quarter Investment Report (see below). Councilwoman Long asked why the Ending balance for the Security Accounts (\$3,160,173.84) did not match the CD Accounts (\$2,851,878.10). Mrs. Davis clarified because there was a stand-alone CD for the sale of the library.

General Fund	16.853%	480,627.02
Debt Service	0.000%	
Perpetual Care	19.151%	546,163.17
Unclaimed Funds	0.274%	7,814.15
EDC	63.722%	1,817,273.76
Internal CD Pool Ownership		\$ 2,851,878.10

Councilman Villa moved to accept the 4th Quarter Investment Report. Motion seconded by Councilwoman Long. Motion carried 5-0.

10. Public Hearing: City of Hondo, Texas Cultural Education Facilities Finance Corporation Revenue bonds (Goodwill Industries of San Antonio Project), Series 2019.

Mr. Clay Binford, Norton Rose Fullbright Law Firm, stated that the process is complete for the creation of the Texas Cultural Education Facilities Finance Corporation. The law requires a public hearing for those interested in the issuance of the revenue bonds. Mark Neilson, Senior Director of Workforce Development and Executive Director David Dalphine introduced themselves and thanked the City of Hondo City Council for working with them on several projects.

Mayor Danner opened the public hearing at 6:21 p.m.

No comments

Mayor Danner closed the public hearing at 6:22 p.m.

Mayor Danner requested a recess of the regular meeting to go into recess at 6:22 p.m. Councilman Vela moved to go into recess. Motion seconded Mayor Pro Tem McAnelly. Motion carried 5-0.

City Council reconvened 6:26 p.m.

11. Discuss and consider Ordinance No. 1211-10-19, an ordinance of the City of Hondo, Texas, authorizing the Mayor to execute a certificate of approval concerning the issuance of revenue bonds designed as "City of Hondo, Texas Cultural Education Facilities Finance Corporation Revenue Bonds (Goodwill Industries of San Antonio Project), Series 2019" by City of Hondo, Texas Cultural Education Facilities Finance Corporation in satisfaction of the requirements contained in Section 147(f) of the Internal Revenue Code of 1986, as amended.

Councilman Vela moved to approve Ordinance No. 1211-10-19. Motion was seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

12. Public Hearing: Proposed PACE (Property Assessed Clean Energy) Program and Report

Mr. John Clamp, Chief Financial Officer, explained that the program was for innovative financing for energy, utility and water savings. Mr. Clamp made himself available for any questions to the public.

Mayor Danner opened the public hearing at 6:29 p.m.

No comments

Mayor Danner closed the public hearing at 6:30 p.m.

13. **Discuss and consider Resolution establishing the City of Hondo Pace Program.**
Mayor Danner stated the Resolution was provided for review and asked for action on the Resolution.
Councilman Villa moved to approve the resolution. Motion seconded by Councilwoman Long. Motion carried 5-0.
14. **Discuss and consider authorizing the City Manager to enter into an Interlocal Agreement between the Alamo Area Council of Governments and the City of Hondo, Texas.**
Councilman Vela moved to approve the City Manager to enter into an Interlocal Agreement between the Alamo Area Council of Governments and the City of Hondo for AACOG to administer the PACE Program for the city. Motion seconded by Councilwoman Long. Motion carried 5-0.
15. **Discuss and consider cancelling November 11, 2019, regularly scheduled City Council meeting.**
Mr. Cantu stated that November 11, 2019 was a City observed holiday—Veteran’s Day.
Councilman Vela moved to approve cancelling the November 11, 2019 meeting. Motion seconded by Councilman Torres. Motion carried 5-0.
16. **Discuss and consider authorizing the City Manager to enter into purchase contract with TEREX Utilities, Inc. for the purchase of a 2020 TEREX Commander 4047 Digger Derrick truck for the Electric Division in the amount of \$217,427.00.**
Mr. Baker stated the approved 2019-2020 City budget included a capital outlay of \$250,000 for the purchase of a replacement Digger Derrick truck for the Electric Division. The current Digger Derrick, which is a single resource, mission critical tool, is 20 years old, needs extensive hydraulic repairs, lacks current safety features, and shows signs of physical fatigue. Electric Division staff has conducted extensive research into the three current manufacturers of Digger Derricks to assess: reputation for reliability, owner satisfaction on both design and performance, as well as feature suitability for our particular needs. Through competitive bidding and feature assessment, the lowest bid for a replacement unit that meets the City needs is \$217,427.00, coming in \$32,573 under budget. This unit is manufactured by TEREX Utilities, Inc., has a 47’ insulated boom with 24,500 lb. lift capacity and a 12,000 ft-lb. auger. Additionally, the TEREX unit is equipped with a full utility bed over a T-box flatbed. Mayor Danner asked if there was a warranty on the equipment. Mr. Baker stated that there was a 3 year warranty.
Councilman Vela moved to approve the purchase contract with TEREX Utilities, Inc. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.
17. **Discuss and consider authorizing the City Manager to enter into a purchase agreement with PipeHunter Texas Underground for the purchase of a 3 yd. Combination Sewer Cleaner in the amount of \$276,993.00.**
Mr. Winters stated that the 2019-2020 approved budget for the purchase of a new 3 yd. Pipehunter Combination Sewer Cleaner. The Sewer Cleaner will give the Wastewater Division the ability to clean and flush sewer mains, cleaning debris from manholes and cleaning the lift stations. This will reduce the amount of stoppages within the collection system, and eliminate contractor and chemical cost in a more proactive cleaning process.
Councilman Vela moved to approve the purchase agreement with PipeHunter Texas Underground for \$276,993.00. Motion seconded by Councilman Torres. Motion carried 5-0.
18. **Discuss and consider authorizing the City Manager to enter into an agreement with Cecil Atkission Ford in the amount of \$23,697.00 for the purchase of a Ford 2019 Taurus SE.**
Mr. Ramon stated that in Fiscal Budget 2019-2020 Capital Outlay, \$25,000.00 was budgeted for the purchase of a vehicle for the Development Services Division. The proposed vehicle to be purchased is a 2019 Ford Taurus SE which will replace the existing 2007 Crown Victoria that is no longer in use and was primarily used for Fire Marshal services. The Ford Taurus SE 4dr Front-wheel Drive

Sedan is suited for the operations of the division. Currently, \$25,000.00 is budgeted in the 2019-2020 budget for the purchase of a vehicle. The proposed vehicle purchase is \$23,697.00 and within budget. Councilman Torres asked if additional lights would be added to the vehicle. Mr. Ramon stated the lights would be added just in case he has to respond to a fire.

Mayor Pro Tem McAnelly moved to approve the City Manager to enter into an agreement with Cecil Atkission Ford for the purchase in the amount of \$23,697. Motion seconded by Councilman Vela. Motion carried 5-0.

19. Discuss and consider renewal of appointment to the Medina County 9-1-1 Emergency Communications District, Board of Managers.

Mayor Danner stated that Mrs. Stacey Cross has served for several years and lives in the City of Hondo. Mayor Danner said he asked Mrs. Cross if she was still interested in serving on the board and she agreed.

Councilman Vela moved to approve the nomination of the appointment of Stacey Cross to the Medina County 9-1-1 Communications District, Board of Managers contingent upon the approval of the other county cities. Motion seconded by Councilman Villa. Motion carried 5-0.

20. Discuss and consider recommendations for appointment of members to the Boards and Commission. (Mayor Danner)

Mayor Danner stated that three City of Hondo volunteer boards have had recent member resignations which necessitate replacements. On the Animal Care Services Advisory Board Justice Judge Clyde "Bubba" Howse has served on the board since its inception in 2017 but has had to resign due to time restraints. His present term expires in February 2021. To replace Judge Howse, Mayor Danner recommended the appointment of Anastacio "Tacho" Vosquez to serve out the term. Mr. Vosquez was a former city employee, works for a local oil field supply firm, and is a present enrollee in "Hondo U". For the South Texas Regional Airport-Hondo Advisory Board, Mr. David Boss, Hondo Aerospace General Manager, resigned his position on the Airport Advisory Board in early October, due to his concern of a conflict with the city's present negotiations with Vaayu. Mr. Boss has served on the board since June, 2016 and his term expires on June 2020. To replace Mr. Boss and fill out the term, Mayor Danner recommended Mr. Michael Corrigan, co-owner of Corrigan Brothers Aircraft Services who served on the board in the past in the past; and once as Chairman. On the City of Hondo Parks and Recreation Advisory Board Ms. Lynda Hook, who was appointed to this board very recently in June 2018, resigned early this month due to health reasons. Her term expires in June, 2020. To replace Mrs. Hook and fill out the term, Mayor Danner recommended Ms. Janice R. Zinsmeyer, a longtime Hondo High School teacher and current enrollee in "Hondo U".

Councilman Villa moved to approve the recommendations for appointment to the Boards and Commission. Motion seconded by Councilwoman Long. Motion carried 5-0.

21. Executive Session: The City Council of the City of Hondo convened in Executive Session at 6:46 p.m. and reconvened in Open Session at 7:07 p.m. 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.

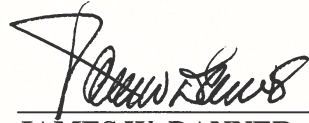
22. Discuss and consider appropriate action resulting from Executive Session.

No action taken.

23. Adjourn.

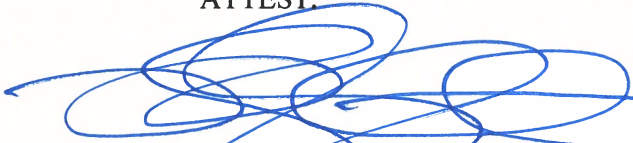
Councilman Vela moved to adjourn the meeting at 7:07 p.m. Motion seconded by Councilman Villa. Motion carried 5-0.

PASSED AND APPROVED THIS 25th DAY OF NOVEMBER, 2019.



JAMES W. DANNER, SR., MAYOR

ATTEST:



Miguel Cantu, City Secretary



