

MINUTES

REGULAR CITY COUNCIL MEETING

September 23, 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 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, Hondo Police Lt. Rick Garza, Assistant Finance Director Dee Willman, Director of Aviation Ryan Elder, Economic Development Director Genevieve Flores, Public Works Director Michael Schmidt, Water Superintendent William “Buddy” Stewart, Waste Water Superintendent Steven Winters, Parks and Recreation Manager Karissa Gonzalez,

3. Invocation by Mayor Pro Tem McAnelly

4. Pledge of Allegiance led by Mayor Danner

5. Citizens’/Public Comments

Mr. George Adams, 708 33rd Street, stated that when raising utilities the city should have a public hearing which can be more effective if citizens and business owners address counsel during the public hearing. He said during a City Council meeting the use of averages was addressed to characterize monthly consumption by customer class and it sounded like the average was the basis for raising utility rates; however you cannot always look at an average and think that’s going to produce correct results. Mr. Adams got information that it appeared to describe the small commercial classes having strong outliers where relatively few customers were happy. He added that from his experience you look at the median or middle values but when you look at an average, you cannot always expect that will produce correct results. For the small commercial class the strong outliers were that relatively few customers are water users. In addition, the distribution in the middle class should be reviewed because the outliers may be in the wrong data set. He believed that the city could have set small commercial rates to be the same as residential and still obtain the revenue without raising rates. The meter size of a small commercial meter is the same as the residential meter. By setting the small commercial rate as the same as residential should have established the baseline for commercial rates. Other cities have set their small commercial rates to the same as residential rates and obtained the revenues required to raise revenue. In the future, he asked that City Council hold public hearings to allow the citizens and business owners to participate. Mr. Adams thanked Mayor Danner, City Manager Kim Davis and City Council members for being engaged during the last council meeting. He asked that City Council give citizens the opportunity in a public forum the ability to participate. This will allow everyone to come to a common understanding.

6. Discuss and consider approving the minutes from City Council meeting August 26, 2019 and September 9, 2019 regular meetings.

Councilman Villa moved to approve the minutes. Motion seconded by Councilman Vela.
Motion carried 5-0.

7. City Manager Report(s)

a. Medina County Sisters Inc: The 2019 Woman of Courage Award to Mrs. Debbie Krueger

Mrs. Davis called Mrs. Debbie Krueger forward. She was recently recognized by Medina County Sister Inc. for the 2019 Woman of Courage Award. During one of their events Mrs. Krueger was presented with a plaque; however, she is also recognized as one the

stellar representatives of the City of Hondo and is gaining the recognition by her peers. Mayor Danner presented the plaque to Mrs. Krueger. Mrs. Davis introduced new Hondo Police officers Alexander Sullivan and Officer Erik Laramou.

b. October Calendar

Mrs. Davis stated that the City was bringing a tradition back to the City of Hondo on October 18th called Crusin' God's Country. This event is a fundraiser for Hondo Police Department's Blue Santa Project.

c. Upcoming Events:

Mrs. Davis reminded council about the popular event throughout the city for the month of October to include.

- i. National Night Out- October 1st
- ii. Hondo U- Every Thursday except October 31st
- iii. Charter Review Commission
- iv. Hondoween- October 31st

8. Discuss and consider Resolution No. 334-19, a resolution nominating a candidate for the election of Medina County Appraisal Board of Directors for the two years 2020 and 2021.

Mayor Danner reminded City Council that the nomination for candidates for the election to the Medina County Appraisal Board of Directors is conducted every two years. Mr. Jack "J" Gruber has been the City's representative for several years and is shared with the Hondo ISD. Mr. Gruber has agreed to continue to serve. Mayor Danner recommended to the council to nominate Mr. Gruber for the election.

Councilwoman Long moved to approve Resolution No. 334-19 nominating J. Gruber as the candidate of Medina County Appraisal Board of Directors. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

Mayor Danner moved agenda Item 10

10. Discuss and consider authorizing the City Manager to enter into an agreement with Alvarez Electric for the construction of a restroom facility at Torres Park in the amount of \$23,500.

Mrs. Karissa Gonzalez stated that \$29,000.00 was budgeted for the FY 2018-2019 for the construction of a restroom facility for Torres Park. She said previously staff had announced the request for bids were advertised and the lowest bid received was \$40,000.00. City staff was then redirected to reevaluate the project criteria requested from contractors. With the recommendation, staff had two approaches to either act as general contractor or scale down the building. Staff took the approach to scale down the building. Scaling down the building allowed the building to be a turnkey project and further allow staff to work with the contractor. Besides costs, staff considered the City Council's concern for vandalism at the park and suggested durable materials be used to construct the building to help minimize the damage to City property. City Staff is presented an option they feel comfortable with. The option is aesthetically pleasing and meets ADA requirements. The structure will be approximately 16'x12' and will house a single ADA stall with adjoining fixtures for both the men's and women's units. Mrs. Gonzalez stated that staff recommends authorizing the City Manager to enter into an agreement with Alvarez Electric for the construction of the restroom facility at Torres Park in the amount of \$23,000.00. Mayor Pro Tem McAnelly asked if only two bids were received. Mrs. Gonzalez stated only two bids had been received and reached out to several companies. Mrs. Davis reminded City Council this was the third time the project had gone out for bid. Councilman Vela stated he thought that this was a good bid for the project. Councilman Torres requested staff to ask if the contractor could rough in for an electric water fountain. Mrs. Gonzalez stated that the water fountain would reduce the clearance for wheelchair accessibility.

Councilman Vela moved to approve the agreement with Alvarez Electric. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

Return to order of agenda.

9. **Discuss and consider Resolution No. 335-19 by the City Council of the City of Hondo, Texas ordering, authorizing, and approving the creation of City of Hondo, Texas Cultural Education Facilities Finance Corporation to act on behalf of the City as provided by the Cultural Education Facilities Finance Corporation Act, as amended; authorizing and approving the Articles of Incorporation and Bylaws for the Corporation; and other matter in connection therewith.**

RE: City of Hondo, Texas Cultural Education Facilities Finance Corporation Revenue Bonds (Goodwill Industries San Antonio Project), Series 2019.

Mr. Clay Binford, Norton Rose Fullbright of San Antonio, is an attorney that assists with taxing and financing for many organizations presented to City Council. He stated that the law allows political subdivisions to issue the debt and loan to the 501c (3) Corporations to obtain a lower cost for borrowing. The firm was approached by Goodwill Industries which stated that they are in preparation of building approximately 32 to 34 stores. The law firm is assisting the issuer to take advantage of tax breaks. The City will receive a fee during the transaction. The proposed resolution would adopt the Articles of Incorporation and the bylaws for the corporation. At a later date the law firm would return to issue the bonds. Since the City of Hondo has not issued any bonds in 2019, the city is capable of assisting Goodwill Industries for their financing. Mr. Binford added that the City Council will be the Board of Trustees for the Corporation and the delivery of proceeds is expected to be in December 2019. He added that the law firm does take precautions on behalf of the city to assure they are capable of assisting. Goodwill is seeking a \$5 million debt with a 2.2% interest rate. Councilwoman Long asked if this resolution was the same opportunity the City had when it assisted Schriner University. Mr. Binford stated it was. Councilwoman Long moved to approve Resolution 335-19. Motion seconded by Councilman Vela. Motion carried 5-0.

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

Mr. David Baker informed City Council that annually a list is compiled of city owned property that has been replaced, become obsolete, or exceeded its useful lifespan. A surplus list has been created and now being provided to council. If approved the property will be auctioned publicly to the highest bidder through GovDeals, an online auction service. Mayor Danner noticed on the list there were several vehicles and said some community members might be interested in purchasing these vehicles. Mr. Baker stated that list is on the city's website and citizens could access city services such as the City's Library to bid and receive assistance for bidding. The items include:

Type	Year	Make	Model	Mileage	Hours	Min \$	Location
Sedan	2000	Honda	Civic - EX	229,466	N/A	\$1,150.00	PD
Pickup	2005	Ford	F-150 ext cab	178362	N/A	\$3,500.00	PD
Cruiser	2005	Ford	Crown Vic	141,441	N/A	\$1,000.00	PD
Cruiser	2008	Ford	Crown Vic	114,891	N/A	\$1,500.00	PD
K-9	N/A	Ray Allen	In car Kennel	N/A	N/A	\$200.00	PD
Bicycle	N/A	Road master	26" Ladies	N/A	N/A	\$20.00	PD
Bicycle	N/A	Mix	BMX	N/A	N/A	\$15.00	PD
Bicycle	N/A	Mix	Adult	N/A	N/A	\$20.00	PD
Bicycle	N/A	Mix	BMX	N/A	N/A	\$15.00	PD
Bicycle	N/A	Mix	Mix	N/A	N/A	\$10.00	PD
Bicycle	N/A	Mix	Mix	N/A	N/A	\$15.00	PD
Bicycle	N/A	Mix	Mix	N/A	N/A	\$20.00	PD
Bicycle	N/A	Mix	Mix	N/A	N/A	\$15.00	PD
Bicycle	N/A	Mix	Mix	N/A	N/A	\$20.00	PD

Bicycle	N/A	Mix	Mix	N/A	N/A	\$25.00	PD
Furniture	N/A	8 Drawer	File Cabinet	N/A	N/A	\$20.00	PD
Seats	N/A	N/A	Crown Vic	N/A	N/A	\$40.00	PD
Gang Mower	Unknown	Toro	230000153	N/A	N/A		Golf
Aerators (2)	N/A	Verti -Drain	7007	N/A	N/A		Golf
Golf Equipment	N/A	Par Aide	N/A	N/A	N/A		Golf
Generator	1984	Stewart & Stevenson	8V6DT290	N/A	6,522		WW
Sewage Pumps(2)	2011	Hydromatic	Unknown	N/A	N/A		WW
Motors - 20hp (12)	Various	Various	20HP	N/A	N/A		WW
Compressor	1886	Doerr	Centurion	N/A	N/A		Electric
Generator	2000	Titan	ET-Diesel	N/A	N/A		Electric
Cordless Tools	2008	Rigid	Combo set	N/A	N/A		Electric
Handhelds		Dap	Microflex	N/A	N/A		IT
Cameras (2)		Sony	Mavica	N/A	N/A		IT
I.T. Equipment		Various	Various	N/A	N/A		IT
Food Carts (8)		Rubbermaid	N/A	N/A	N/A		Library
Projector Screens		Da-Lite	70	N/A	N/A		Library
Welder		Miller	AEAD-200LE	1989	N/A		Facilities

Mayor Pro Tem McAnelly moved too approved the Surplus Property. Motion seconded by Councilman Vela. Motion carried 5-0.

12. Discuss and consider Resolution No. 336-19, a resolution of the City of Hondo, Texas, designating the Hondo Anvil Herald as the primary official newspaper for the City of Hondo, Texas.

Mr. Miguel Cantu stated that the resolution had been reviewed by the City Attorney and there were no changes to necessary. The Hondo Anvil Herald was also contacted and were asked if they would like to continue as the City's official newspaper and they agreed. The resolution presented would continue to designate the Hondo Anvil Herald as the primary newspaper for the City of Hondo.

Councilman Villa moved to approve Resolution 336-19. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

13. Discuss and consider the recommended Boards and Commission appointments.

Mayor Danner stated that one of the city's boards had appointees whose terms expired in September, one board has had a recent resignation, and the one Commission had a vacancy appointment. Mayor Danner asked City Council to consider action on the recommended appointments. In regards to the Parks and Recreation Advisory Board,

Ms. Jackie Muennink, who was appointed to this board only this February, submitted her resignation last month due to plans to move out of the city. To replace Ms. Muennink, whose term expires in February 2021, Mayor Danner recommended the appointment of Mr. Tommy Rhodes, a self-employed Hondo citizen who is an advocate for the development of youth in our community and whose appointment was suggested by a board member. If appointed, he will fill out the term. Regarding the City of Hondo Board of Adjustment, all seven members of the Board of Adjustment have terms which expire this month and four of the members, Chairman Tom Taylor, Mary Massena, Henry Escamilla and M.I. Stevens are now termed out,

having served since September, 2013. Jose "Porky" Ytuarte, who was appointed in June, 2014, Cynthia Stanukinos, who was appointed in December, 2015, and Wesley Huesser, who was appointed in February 2019, all have time left before their appointment terms expire. However, Mayor Danner is recommending Mr. Ytuarte for another city board. Mayor Danner said he recommends the re-appointments of both Ms. Stanukinos and Mr. Huesser. To replace the five appointees going off the board, it is recommended Ms. Rose Mary Mares, Assistant Superintendent of Hondo Schools, Ms. Lee Taylor, community leader and a member of previous city boards, William "Gizmo" Freeman, a previous member and Chairman of the Planning and Zoning Commission, George Adams, local businessman and a member of the Charter Review Commission and a recent graduate of "Hondo U", and Ernest Garza, a recent graduate of "Hondo U" and also a current member of the Charter Review Commission. All of the seven recommended appointees will serve terms expiring in September 2021. Mrs. Stanukinos will serve out her term limits. Out of these appointees, Mayor Danner suggests that Mr. Huesser and Mr. Adams be appointed as alternate members. Regarding the Planning and Zoning Commission, Mayor Danner said he had the unfortunate responsibility of removing Ms. Tima Barrientes from the Planning and Zoning Commission due to lack of attendance at meetings. Her term expires in June 2020. To replace Ms. Barrientes and fulfill her term, Mayor Danner recommended the appointment of Jose "Porky" Ytuarte, who as previously mentioned, has been serving on the Board of Adjustment. Mr. Ytuarte is a community leader in Hondo and has been a diligent past city appointee. Mayor stated these are the recommendations. Councilman Villa moved to approve Mayor Danner's recommendations. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

14. **Executive Session:** The City of Hondo City Council convened in To Executive Session at 6:45 p.m. and reconvened in Open Session at 7:11 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)
- b. Discuss regarding proposed revisions to the lease agreement with Hondo Aerospace, LLC at the South Texas Regional Airport.
15. **Discuss and consider appropriate action resulting from Executive Session.**
No action taken.
16. **Adjourn.**
Councilman Vela moved to adjourn the meeting. Motion seconded by Mayor Pro Tem McAnelly. Motion carried 5-0.

PASSED AND APPROVED THIS 14th DAY OF OCTOBER, 2019.



JAMES W. DANNER, SR., MAYOR

ATTEST:

Miguel Cantu, City Secretary

