

**Minutes**  
**Regular Council Meeting**  
**July 19, 2016**

On this 19<sup>th</sup> day of July 2016, at 6:00 p.m., the City Council of the City of Devine convened in a Regular Meeting; the same being opened to the public at their regular meeting place; thereof, at City Hall, 303 S. Teel Drive, Devine, Texas. Notice of said Meeting having been prescribed in Chapter 551, Government Code, and Vernon's Texas Codes, Annotated, and the following members being present:

Mayor William L. Herring  
Alderman Hal Lance  
Alderman Kathy Wilkins  
Alderman Steve A. Lopez  
Alderman David Valdez

Absent being Alderman David Espinosa; thus, constituting a quorum.

Personnel present: Dora V. Rodriguez, Asst. City Administrator/ City Secretary; Denise Duffy, City Accountant; Tom Cate, City Attorney; Kandy Benavides, Chief of Police; Ismael Carrillo, Director of Public Works; Barbara Moore, Library Director, and Ofilia Pedroza, UB Clerk.

Others present: Steven Santana, Medina Valley Times; Donna Chatham, Langford Management Community Services; City Engineer Raul Garcia, Garcia & Wright Consulting Engineers, Inc., and Sonia J. Lance, Devine, Texas.

Mayor Herring presiding, called the meeting to order. He also delivered the Invocation and led the Pledge of Allegiance.

The first order of business was the Visitor/Citizens Forum.

No one spoke under this item.

The second order of business was Recognition.

Mayor Herring recognized the Devine Little League for having a great year.

The third order of business was to discuss and consider Approval of Minutes: Regular Meeting June 28, 2016; Emergency Meeting, June 30, 2016.

Council did not have enough time to review minutes.

Motion by Alderman Lopez, seconded by Alderman Lance to postpone approving the minutes since they did not have enough time to review.

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Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The fourth order of business was to discuss and consider adopting Resolution authorizing approval of the Building Contractor Award for the Home Program through the Texas Department of Housing and Community Affairs.

Donna Chatham, Grant Administrator from Langford Community Management Services, addressed Council. She informed them that the maximum base bid price for this home is \$85,000.00, and the home will be going to Rosa Castro. Council held discussion on the length of time for construction being three to four months.

Motion by Alderman Valdez, seconded by Alderwoman Wilkins to adopt Resolution 7-16 authorizing approval of the Building Contractor Award for the Home Program through the Texas Department of Housing and Community Affairs.

Resolution attached as Exhibit A.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The fifth order of business was to discuss and consider moving the Application submission for the FEMA Hazard Mitigation Program HMGP Grant to the October 31, 2016 application period due date.

City Engineer Raul Garcia addressed Council regarding the scope of the drainage project for the FEMA Hazard Mitigation Program. He referred Council to a map which showed the proposed scope of the project which starts at Howell Avenue, crosses SH-173 all the way to Colonial Parkway. The map shows that he is proposing four bridges across Burnt Boot Creek. He said this is an earthen land channel. In addition to the channel, he is proposing in the study a storm drain from the channel itself where it goes to Warhorse Drive, and on Fay Avenue to Windy Knoll and to end up at Crouch Avenue because we do have a problem there at Crouch Avenue. He told Council that this is what the study is going to be.

City Engineer Raul Garcia explained to Council that up to now, the State of Texas has six disaster-declared areas and, unfortunately at this time, Medina County is not included in any of these disaster areas. However, the State keeps adding counties; he hopes that we will be next and said that even though we are not being included now, we have a good chance of getting funded in the near future.

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Assistant City Administrator/City Secretary Dora V. Rodriguez added that Mr. Joe Ramos was trying to get the application submitted by the end of this month, but because there is too much involved that he didn't take into consideration, it is impossible to get it done by the end of this month like he wanted. She told Council that if they do want to move forward, Beth, with Langford, is recommending for the application to be submitted in October in order to allow time for everything to get done.

Alderwoman Wilkins suggested that we publish something in the newspaper explaining the delay in getting the grant, and letting them know what we are trying to do. Mayor Herring agreed that we need to explain why we need the grant (because it will cost the City a prohibited amount of money to do this), we need the time, and we need to do everything required for the application.

Motion by Alderwoman Wilkins, seconded by Alderman Lopez to approve moving the Application submission for the FEMA Hazard Mitigation Program HMGP Grant to the October 31, 2016 application period due date.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The sixth order of business was to discuss and consider Proposed Budget for 2017 for the Medina County Appraisal District.

Council reviewed budget. Mayor Herring noted that the City's share will be \$15,663.96 which is a little bit less than last year at \$16,518.45. This will be budgeted for next year, for FY 2016-2017.

Motion by Alderman Lance, seconded by Alderman Lopez to approve the Proposed Budget for 2017 for the Medina County Appraisal District and the City of Devine's share for \$15,663.96.

Medina County Appraisal District Preliminary Budget 2017 attached as Exhibit B.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The seventh order of business was to discuss and consider for Council to select streets to be resurfaced/paved.

Council reviewed a list of streets provided by Public Works. Director of Public Works Ismael Carrillo addressed Council. He told Council that not all of these streets can be done at one time but

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these are the streets that need attention that he is recommending for them to choose from, but added that if there is another street they feel needs attention and they would like done, to let him know so that he can get the measurements to find out the cost. He said that he would like for them to pick the streets that they want resurfaced in each of their districts.

Assistant City Administrator/City Secretary Dora V. Rodriguez informed Council that Alderman Espinosa will be turning in his list later to Council.

Alderwoman Wilkins held discussion on some of her streets in District #4 with Director of Public Works, Ismael Carrillo, and decided the street she wants done in her district is Colonial Parkway, and she also added Lee Drive (base only). In District #1, Alderman Valdez chose Covey Lane (Rossville to Dead-End). In District #2, Alderman Lopez chose L. C. Martin Drive, Rossville Road and Bowman Street. In District #5, Alderman Lance was willing to give up his streets in order to put money where it was really needed.

Motion by Alderman Valdez, seconded by Alderman Lopez to approve the streets mentioned to be resurfaced/paved in each council district.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The eighth order of business was to discuss and consider approving the Budget Amendments for Fiscal Year 2015-2016.

City Financial Advisor Mary Badillo addressed Council. She told them this is the first adjustment for the Fiscal Year ending September 30, 2016. Some of the highlights she discussed were:

General Fund – We are proposing an increase in the Total Operating Revenue of \$90,000 and an increase of \$238,000 for expenses under Total Operating Expenditures. In addition to that, we are deducting close to \$11,000 in Capital Outlay and a little less than \$2,000 in Transfers, which will give us a Net Surplus Deficit of (\$135,559). Ms. Badillo informed Council that the column to the right, Proposed Budget w/Amendments, shows a balanced budget.

Debt Service Fund – In Total Operating Revenue, we are recommending a decrease of close to (\$3,000); no adjustments for the expenses. On the Proposed Budget with Amendments, we have a Total Operating Revenue of \$116,000 and the Total Operating Expenditures of \$118,000 giving us a Deficit of (\$1,726); we already have some Transfers in. This gives us a Net Surplus of \$23,274.

Sewer/Water Fund – In Total Operating Revenue, we are proposing an increase of \$14; for Total Expenses, we are proposing an increase of over \$204,000 with Transfers of (\$34,000). On the Proposed Budget with Amendments, we have a Total Operating Revenue of \$1.7 Million, Total Operating Expenses of \$1.9 Million, giving us a Deficit of (\$157,000);

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Transfers out of the Water/Sewer Fund give us a Net Surplus deficit of (\$192,000). The Cash Flows that we have coming in are \$430,000 giving us a Net Cash Flow of \$238,000. Lodging Fund – We are not proposing any increases or decreases for the Operating Revenue. For the Operating Expenses, we are proposing an increase of a little less than \$4,000. On the Proposed Budget with Amendments, we are proposing the Total Operating Revenue to be \$18,000 and the Total Operating Expenses to be at \$24,000, with a Deficit of (\$6,000), and Capital Outlay at \$2,000. The Transfers in and (out) are at zero.

Motion by Alderman Lopez, seconded by Alderwoman Wilkins to approve the Budget Amendments for Fiscal Year 2015-2016.

Budget Amendments attached as Exhibit C.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The ninth order of business was to discuss and consider Master Meter repair contract.

Director of Public Works, Ismael Carrillo, informed Council that we are looking at a cost of \$100 (\$50 to get the meter calibrated and another \$50 to get it shipped). According to City Attorney Tom Cate, Director of Public Works Director Ismael Carrillo needs to get these meters repaired.

Motion by Alderman Valdez, seconded by Alderman Lance to approve for Assistant City Administrator/City Secretary Dora V. Rodriguez to sign for the Master Meter Repair Contract.

Master Meter Repair Contract attached as Exhibit D.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

The tenth order of business was Executive Session: Pursuant to provision of the Open Meetings Act, Chapter 551, Texas Government Code, Section 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, and Section 418.183(f) of the Texas Government Code (Texas Disaster Act).

- Executive Session – Personnel to deliberate Temporary Compensation for the Assistant City Administrator/City Secretary while performing the Interim Position Duties of the City Administrator under the Texas Government Code Section 551.074.

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- Executive Session to deliberate with the City Attorney on Economic Projects Pending under Texas Government Code Section 551.071(2).

Mayor Herring inquired on the 2<sup>nd</sup> Executive Session and asked if we needed to go into Closed Session to deliberate with the City Attorney on Economic Projects Pending under the Texas Government Code Section 551.071(2). City Attorney Tom Cate advised that Council only needs to go into Closed Session if we are going to be talking about land prices and cases where we will put ourselves at a disadvantage. He said it was his understanding though that we would just be talking in general terms about the economic development projects that are on the board. Mayor Herring then asked if anyone had a problem with doing this openly. Alderwoman Wilkins stated, "No, as long as we don't discuss money."

Mayor Herring stated he wanted to begin by saying, "We've had the usual meetings with developers which we've had since I've been Mayor and I know all of you have heard from different real estate people wanting to put a housing project in at different places, namely:"

- From the land out on SH-173 by Fred Morales and the Texas Highway Department, which the Wilkerson's own.
- To the huge piece of property by the Calvary Baptist Church and the cemetery, owned by the Cashion's, in which the sewer lines are not big enough to house the 50 houses.

He said we always start by meeting and talking to developers and even get Director of Public Works Ismael Carrillo involved in showing where the water and sewer lines are, and then these projects always disappear; they never come back. In the years that he has been Mayor, he said City Council has shown no inkling to pay for infrastructure. He told Council that if they want, he could have these brought back before them but we have not done it in the past that he knows of.

- Mayor Herring stated that management did meet with two developers wanting to put a huge truck stop on the 40 acres behind Triple C. He has Director of Public Works Ismael Carrillo was with them and they were shown the location of sewer and water lines. They wanted to know what the City was going to do as far as infrastructure and, again, we said we have not so far done anything on that; and they have not gotten back with us.
- Our previous city administrator, Joe Ramos, talked about a new city hall. However, the restaurant across the street wants way too much money and so does Christian's Furniture Store. We've looked into the vacant lot between George's Garage and Bushel-And-a-Peck (Cindy Morales' place); that vacant lot used to belong to George Fernandez, and we even talked about buying the building next to the City Hall, the original Spot. We contacted a lawyer who represents the owner, a doctor, who does not want to sell it.

According to Mayor Herring, Alderman Espinosa has really pushed for a new city hall and police department but, so far, we've come to a dead-end. We haven't found a place in the central part of the city. That's where we are on that.

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Alderman Lopez inquired if the new city hall needs to be located in the central part of the city. According to Mayor Herring, it does not, and discussion was held on other cities like Somerset or Jourdanton that have city halls located at the edge of town.

Alderman Lopez implied using the City's 40 acres by Triple C since everyone already goes to Walmart anyway so it wouldn't be a hardship for anyone. Mayor Herring added that we've also looked into the Texas Department of Transportation, off of SH-173. He said it is our understanding that in the future, they are going to be closing that down and working out of Hondo and Pleasanton; there will be no Highway Department in Devine. According to Mayor Herring, City Engineer Raul Garcia has surveyed that for us but, again, no price has come up. And, this is only if they discontinue that location, and if they want to sell; there are too many "if's" and we've run into dead-ends. He told Council that Assistant City Administrator/City Secretary Dora V. Rodriguez has talked to Mark McLiney, our Financial Advisor, and the main thing we need to do is figure out what we can do as far as building anything without a tax increase.

Council was okay with this and brief discussion was held on scheduling for Mark McLiney to come down during noon meetings. Alderman Valdez requested he be given plenty of notice of the noon meetings so that he could request the day off.

- TIRZ – Mayor Herring gave Council a brief recap of 2013, when he and ex-city administrator Gary Pelech and Lance Elliott, TIF Consultant, met with Judge Barden and County Commissioners to ask for the County's participation with TIRZ. At that time Judge Barden informed them that because we still had a TIRZ going on by the Golf Course, the County would not enter into two TIRZ agreements with any city, so we were told to come back after it was completed at the Golf Course. Now that it is finished, County Judge Chris Tschirhart is ready to schedule a meeting with us. Going to this meeting will be the mayor, assistant city administrator, and anyone who wants to go. Assistant City Administrator/City Secretary Dora V. Rodriguez added that TIF Consultant Lance Elliott would be present at this meeting as well since he is working on all of the TIRZ paperwork and he encouraged for City Attorney Tom Cate to be present as well. Mayor Herring also added that we do not know the percentage that we will be asking the County to pay. He said that we could ask for 100% but doubts that they will agree; realistically 80/20 would be nice. Mayor Herring told Council to remember our TIRZ boundaries; it's not just the 40 acres but also some properties coming down SH-173, and Walmart is also included in this TIRZ.

Mayor Herring explained that the reason Walmart was included in the TIRZ was so that we could take the money coming in from Walmart and put it in our TIRZ Fund. Mayor Herring then inquired if we've used any of that money or if we even passed it. According to Assistant City Administrator/City Secretary Dora V. Rodriguez, we have figures given to us by TIF Consultant Lance Elliott to put into the new budget for the TIF which we've already talked about for the taxes. She said that Mr. Elliott had changed the figures after their last meeting and that is what he is working on right now based on the information on what the County is wanting. She said City Attorney Tom Cate is reviewing some of his paperwork. Once that is done, then the meeting can be

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set up with the County Judge. Mayor Herring stated that we will go over to Hondo whenever Mr. Elliott is ready. He told Council that we will be asking the County to give up a percentage of the money they have coming in from the taxes on Walmart.

Assistant City Administrator/City Secretary Dora V. Rodriguez stated that the only other thing to add is that she's trying to make contact with the people who Joe Ramos had gotten to do the appraisal on the 40 acres. She said that City Attorney Tom Cate had done some changes to the contract, so she is just waiting to find out from these people if they are going to make those changes. Per Mayor Herring, this had to go before Council for approval on the amount. City Engineer Raul Garcia has already surveyed it for us so we know exactly where the boundaries are. City Attorney Tom Cate added that there is still a small strip of land in there that we need to figure out; it looks like an old right-of-way, on the west side of the property. Assistant City Administrator/City Secretary will try to find out the cost and bring it back before Council.

The eleventh order of business was Executive Session: Pursuant to provision of the Open Meetings Act, Chapter 551, Texas Government Code, Section 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, and Section 418.183(f) of the Texas Government Code (Texas Disaster Act).

- Executive Session – Personnel to deliberate Temporary Compensation for the Assistant City Administrator/City Secretary while performing the Interim Position Duties of the City Administrator under the Texas Government Code Section 551.074.

At 7:00 p.m., Mayor Herring announced to the public that the Council would go into a Closed Session.

At 7:17 p.m., Closed Session was opened to the public.

No action was taken in Closed Session.

The twelfth order of business was to Reconvene into Regular Session and consider action, if any, on item(s) discussed in Executive Session.

Motion by Alderman Lance, seconded by Alderman Lopez to hire Dora V. Rodriguez as the Interim City Administrator from the period beginning July 1, 2016 and ending FY September 30, 2017 for an additional \$10,000 increase in her salary, and a buy-out of up to three weeks of personal leave.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

Discussion was held after the motion by City Financial Advisor Mary Badillo. She wanted to let everyone know that by taking this action, it is going to save the City a little over \$81,000. Mayor

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Herring added that she will be doing both jobs as City Secretary and City Administrator for an additional \$10,000. He thanked her for doing this and said he appreciated her input, as always. He then thanked Council for considering doing this for us. Council congratulated Dora.

The thirteenth order of business was to Review the Quarterly Report.

Council reviewed report.

The fourteenth order of business was Informational Items.

The following items were discussed:

- Chick-Fil-A – Mayor Herring announced that they will be here again Friday from 11:00 a.m. to 5:00 p.m. at the Library parking lot.
- Movie Night – Mayor Herring announced we had around 75 people for the first showing and 86 for the second showing. Chick-Fil-A. will be back for movie night on the last Saturday of the month. Showing will be Alvin and the Chipmunks. Interim City Administrator/City Secretary Dora V. Rodriguez will look into who will be doing the popcorn and donating the water.
- Crime Stoppers – Alderman Lopez announced that Crime Stoppers will be having a Golf Tournament on September 23, 2016. He will get more information on this later.
- Lion's Club – Mayor Herring announced they made \$6,000.00 on their Golf Tournament.
- Police Officers – Mayor Herring encouraged we continue to pray for our police officers. For them to be targets is just not right.

There being no further business to come before the governing body, motion made by Alderman Lance, seconded by Alderman Lopez to adjourn the meeting.

Ayes	--	Four
Nays	--	None
Absent	--	One – Alderman Espinosa

Motion carried.

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Mayor

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City Secretary