

**Minutes
Special Meeting
November 21, 2019**

On this 21st day of November 2019, at 6:00 p.m., the City Council of the City of Devine convened in a Special Meeting; the same being opened to the public at their 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 Cory Thompson
Alderman Steve A. Lopez
Alderman David Espinosa
Alderwoman Jennifer Schott
Alderwoman Debbie Randall

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

Personnel present: Dora V. Rodriguez, Interim City Administrator/City Secretary; Denise Duffy, City Accountant; Tom Cate, City Attorney; and Ismael Carrillo, Director of Public Works.

Others present: Marly Davis, Devine News; Shannon Rangel; Willie Shelton; Bill Kreinhop; Scott & Shirl Grego; Brent Haass; Charlie Baker; David E. Ehlinger; Allyson Gonzale; Mary Herrera; Richard W. & Cynthia Chalaire; Suzy Manning; Laura Sinclair; Leslie Vail; Angela Pichardo; William Cole; Bill Sinclair; Christy Williamson; Lisa Belor; Lynette DeSalme; and Michael Nicholson.

Mayor Thompson, presiding, called the meeting to order.

The first order of business was to discuss and consider SG Golf Management lease/management of Devine Municipal Golf Course.

Scott Grego addressed City Council and went over the agreement with Council as he addressed his concerns and recommendations/corrections; namely:

- 2.0 Term – Asking for 60 months and extensions at 36 months, with first right of refusal. City Attorney Tom Cate explained that if Council agrees to this agreement, he is going to have the first right of refusal, and the agreement may be extended. Scott Grego stated that his concern is coming back in 36 months, not knowing who's going to be on the Council, and having to go through this again every 36 months. His only hope is that Council supports the agreement. He added that as long as everything is good and the golf course is good and it just moves forward, then he's fine with the 36 month agreement, as long as he has the first right of refusal.
- 3.02 Business Plan –Rather than Council approving the Business Plan within 30 days; going forward, he is asking for the Business Plan to be approved as far as whenever the City is funding it.
- 5.0 Responsibilities of the City (Signage) –
 - A. Directional signage around town – He wants 10 signs:

Special Meeting Minutes
November 21, 2019
Page 2

- a. One by the Dollar Tree, coming off of IH-35
 - b. Three at the corner of ACE; one in each direction
 - c. Two by IH-35 over by Walmart; one on each side of the highway
 - d. On SH-132 – One coming out of Hondo; one in town by the Dairy Queen pointing to Windy Knoll; one at Libold and one at Ingram. Council held discussion on directional signage.
- 5.0 B. Finish out turnkey restaurant and bar. Mr. Grego stated that he's aware that we have an architect drawing and suggested that whenever he does his drawings to use his recommendations for the seating as far as capacity goes. According to Interim City Administrator/City Secretary Dora V. Rodriguez, we can contact Bureau Veritas to help us with that since they do our fire inspections.
 - 7.0 Use of Property – The City (staff) entering the Golf Course during normal business hours – He asked for at least a two-hour notice so they would know someone is coming from the City.
 - 18.02 According to Scott Grego, there's nothing in the contract about showing the City receipts while the City is funding it. So, he's proposing to show the City receipts throughout the funding process. City Attorney Tom Cate pointed out that this is actually stated on Page 7 of the contract, 18.02 Monthly Statements – to show financial statements on a monthly basis; he said this is the same thing. Mr. Grego inquired if the City still wants to see receipts beyond the \$32,536.00 that he will be getting monthly from the City. Discussion was held. According to Interim City Administrator/City Secretary Dora V. Rodriguez, the auditors are only concerned about the portion that the City is spending. So, for anything beyond the \$32,536.00 that Scott spends, he is not required to submit receipts to the City.

Alderman Randall pointed out a few other things; namely:

- Turnkey restaurant – She explained that “turnkey” means the furniture, all the kitchen appliances, tables, chairs, dishes, glassware, and cookware. She noted that if in the future, Mr. Grego were to sever ties with the Golf Course and the City, he should know that all of that would have to remain in the club house; he needs to agree to that. If something breaks, he would need to replace it. Mr. Grego agreed, and added that there is already one TV there, and he will be adding more. Council agreed with Alderman Randall – that whatever is there already, would have to stay there if something were to ever happen to sever ties with the City. Alderman Randall further stated that Mr. Grego would have to decide on the seating and plan as to how many dishes and glasses would have to be purchased. She told Council that if, for example, this contract gets approved tonight, that we could do an addendum for the turnkey portion of the club house, since he can't even use it yet. City Attorney Tom Cate agreed that this will need to be done.
- Brush on Golf Course – this is a City thing; not a Scott thing – Alderman Randall pointed out that there is a huge pile of tree limbs and debris on the back of the golf course, by County Road 768. She suggested that the City should take care of this, in a timely manner, before Scott Grego takes over the golf course. Interim City Administrator/City Secretary Dora V. Rodriguez stated that she spoke to Ruben Chapa about this, and he's already gotten a quote from someone but added that we're also going to contact our garbage company.

Special Meeting Minutes
November 21, 2019
Page 3

- Employees – Alderwoman Randall just wanted to make sure that Section 17.02 of the agreement is stating that he can hire existing golf course employees. City Attorney Tom Cate stated that this is correct – if he wants to hire them, and if they agree to it. Scott Grego stated that his plan is to keep all employees on board.

Council held lengthy discussion with Scott Grego.

Council then heard comments/concerns from the following residents:

- Angela Pichardo
- Billy Cole
- Jeff Weisenbaker
- Suzy Manning

City Attorney Tom Cate added that Scott Grego will need to give us a Certificate of Insurance showing the City of Devine as an additional insured.

Interim City Administrator/City Secretary Dora V. Rodriguez commented that it's going to take time for the City to close out books, and then be able to work with Mr. Grego in giving him a list of contacts. She told Council we may be looking at approximately two to three weeks; hopefully by December 15, 2019.

Motion by Alderwoman Randall, seconded by Alderwoman Schott for the City to enter into an agreement with SG Golf Management (Scott Grego) and authorize Mayor Cory Thompson and Interim City Administrator/City Secretary Dora V. Rodriguez to sign the agreement, and not have to come back to City Council for another approval, and with the addendum to be added later for the kitchen equipment (all kitchen appliances, tables, chairs, dishes, glassware and cookware), effective December 15, 2019.

Agreement attached as Exhibit A.

Ayes	--	Two – Alderwomen Randall and Schott
Nays	--	Two – Aldermen Lopez and Espinosa
Absent	--	One – Alderman Valdez
Mayor's Vote to Break Tie	-	One Aye

Motion carried.

The second order of business was Informational Items.

The following was discussed:

- Edwards Well #1 Update – Director of Public Works Ismael Carrillo reported that the pump was pulled out and it is being inspected. He will keep Council updated.

Special Meeting Minutes
November 21, 2019
Page 4

- Status on the City's five wells – Alderwoman Randall inquired as to the age of our wells – the motors, shafts and bearings – and how long they are supposed to last. She also inquired how close the other wells that are currently working right now, are at the end of their life span before we start thinking about replacing or fixing or etc. According to Director of Public Works and Interim City Administrator/City Secretary Dora V. Rodriguez, the Carrizo Wells were done in the '50's and the Edwards were in the '70's. Mr. Carrillo stated that since he cannot inspect the wells because they are underground, it is unforeseeable as to the life span of all the parts. Discussion was held.

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

Ayes	--	Four – Aldermen Lopez and Espinosa Alderwomen Randall and Schott
Nays	--	None
Absent	--	One – Alderman Valdez

Motion carried.

Mayor

City Secretary