

Minutes
Regular Meeting & Budget Workshop
September 19, 2023

On this 19th day of September, 2023 at 6:08 p.m., the City Council of the City of Devine convened in a Regular Meeting and Budget Workshop, the same being opened to the public, at the Dr. George S. Woods Community Center, 200 E. Hondo Avenue, Devine, Texas 78016. 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 Butch Cook
Alderman Debbie Randall
Alderman Josh Ritchey
Alderman Michael Hernandez
Alderman Stacy Pyron

Absent being Alderman Rufino Vega; thus, constituting a quorum.

Personnel present: Dora V. Rodriguez, Interim City Administrator/City Secretary; Tom Cate, City Attorney; Pete Sanchez, Director of Public Works; and Alma Rios-Flores, Municipal Court Clerk.

Others present: Ron Richards and Sandra Richards, Devine Golf Course; Ernesto Aguilar, Jr.; Sylvia Lopez; Marissa Gonzalez; Dale Williams; and Jerry Beck, of Devine, Texas.

Mayor Cook presiding declared the meeting open.

Alderman Ritchey delivered the invocation. Mayor Cook led the Pledge of Allegiance to the United States Flag and the Pledge of Allegiance to the Texas Flag.

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

No one signed up to speak.

The second order of business was Public Recognition.

There was no Public Recognition.

The third order of business was Employee Recognition.

There was no Employee Recognition.

The fourth order of business was a Public Hearing on the Proposed Tax Rate for FY 2023-2024.

At 6:09 p.m. Mayor Cook announced that the Public Hearing was open.

No one came forward to speak to the Council.

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At 6:10 p.m., hearing no comments from the public, Mayor Cook closed the Public Hearing.

The hearing was closed at 6:10 pm.

The fifth order of business was Minutes for Regular Meeting & Budget Workshop August 15, 2023, Special Meeting & Budget Workshop August 22, 2023, Emergency Meeting August 25, 2023, Special Meeting & Budget Workshop August 29, 2023, and Special Meeting & Budget Workshop September 12, 2023.

There were no minutes for Council to review. No action was taken on this item.

The sixth order of business was to Consider and Act Upon Annual Report and PILOT Check from the Devine Housing Authority.

Council reviewed the report and check.

Motion made by Alderwoman Randall, seconded by Alderman Ritchey to accept the report and check.

Ayes	--	Four – Aldermen Hernandez, Ritchey Alderwomen Pyron, Randall
Nays	--	None
Absent	--	One – Alderman Vega

Motion carried.

The seventh order of business was to Consider and Act Upon for Council to approve the 2024 Routine Airport Maintenance Program (RAMP) Grant.

Alderman Ritchey inquired if the dollar amount to pay back all grants for the airport was available. Dora V. Rodriguez, Interim City Administrator/City Secretary, advised the amount has been requested from TxDOT/FAA. It should be available soon.

This is a 50/50 grant up to \$50,000. If accepted, the City submits receipts of payments and the RAMP grant reimburses the City 50% of the receipts.

Council discussed things for the airport this grant is used for. This year the City submitted the cost of purchasing the hangars and we received \$50,000 towards the purchase cost. Alderwoman Randall stated that the cost of repairing the 3 hangars that is necessary now, could be paid 50% using this grant.

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Motion made by Alderman Ritchey, seconded by Alderman Hernandez, to accept the grant; however, the city should not request any grant funds be released until Council is aware of the payback amount to understand if it was feasible to sell the airport.

Ayes	--	Four – Aldermen Hernandez, Ritchey Alderwomen Pyron, Randall
Nays	--	None
Absent	--	One – Alderman Vega

Motion carried.

The eighth order of business was the Annual Acknowledgement of Conflict of Interest and Code of Conduct.

Attending Council members reviewed and completed the required annual documents and handed them to Dora V. Rodriguez, Interim City Administrator/City Secretary.

The ninth order of business was the Budget Workshop.

- Dora V. Rodriguez, Interim City Administrator/City Secretary, gave Council information on what the water rate increase that was discussed in the last meeting would do for the budget. She has spoken to the TRWA (Texas Rural Water Association) representative about our rate increase. It was suggested by the TRWA that the City should allow the TRWA to do another water study as they did for the City in 2018. The TRWA will give the City options to allow the water rates to support the entire Water/Sewer system. There is no cost to the City for this water study. Having the study completed will also give the City justification of any water/sewer rate increase. Alderman Ritchey asked if the TRWA could incorporate for an additional water storage tank and tower into the study. Dora V. Rodriguez, Interim City Administrator/City Secretary, will ask the TRWA for that. Alderwoman Randall asked if Council could approve the current budget which indicates a deficit with the knowledge that the City is having this study completed and water/sewer rates will rise in the near future. Dora V. Rodriguez, Interim City Administrator/City Secretary, confirmed that Council can do that.
- Alderwoman Randall handed out some spreadsheets to the rest of the Council. The first spreadsheet was regarding the Airport Hangars. At the last meeting the Council discussed raising the lease/rental fees by 10%. Alderman Ritchey wanted to know how much tax the land-leased hangars pay.

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Alma Rios-Flores, Municipal Court Clerk, pulled up the information on one hanger and it indicated approximately \$1,400 per year. Pete Sanchez, Director of Public Works, will have a proposal for the 3 hangar repairs by the next meeting; hopefully. Dora V. Rodriguez, Interim City Administrator/City Secretary, advised that the rate increase for land-leased hangars cannot be more than 3% per the lease contracts. Alderwoman Randall volunteered to send to all Council members the new spreadsheet with the 3% and 10% increases combined. Alderwoman Randall also asked Council to allot \$40,000 for the hangar repairs, as we need to have something in the budget for it, and next week is the final vote on the budget. Alderman Ritchey wants to allot \$70,000 for "in case". Alderwoman Pyron agreed that something needs to be in the budget for the repairs and is leaning towards the \$40,000. Alderman Hernandez agreed with adding \$40,000 on the maintenance line item for the repairs.

- Alderman Ritchey wanted to add another Tahoe for the Police Department. It would be an additional \$18,000 to the budget. Of the vehicles being decommissioned, one vehicle to go to the Airport as a courtesy car and the other to go to Public Works. All attending Council members agreed to the additional Tahoe for the Police Department.
- Other spreadsheets Alderwoman Randall handed to the Council were examples of the budget that were sent to Council. Using the current proposed tax rate of \$.00580 the surplus is \$635,764. Using the tax rate of \$.005589 (Voter Approval Rate) the surplus is \$464,354. Using the tax rate of \$.005553 (Non New Revenue) the surplus is \$456,394. Using the current tax rate of \$.004913 the surplus is \$314,888. Alderwoman Randall stated it was her personal opinion that Council is raping the taxpayers just to have \$400,000 or more for surplus. Alderman Ritchey asked how the budget changed from the beginning when \$.004913 did not have a surplus, but a deficit. Alderwoman Randall reminded him the Police Department removed 2 trucks and armor replacement, Public Works took off a truck and found a less expensive building. Mayor Cook stated that the proposed budget is still \$900,000 more than the current year's budget. Alderwoman Randall explained that the current year really has nothing to do with the proposed year, other than seeing what additional funds are being requested from the previous year. There was more discussion about the surplus from previous year's budgets.
- Alderman Ritchey wished to allot \$23,000 for the golf course for at least the City's share of one new pump at the golf course and \$8,000 for a replacement air conditioner. Alderwoman Randall made everyone aware that Council has not seen an actual proposal for a replacement pump, that we are working on what the Devine Golf Group has verbally told Council. Alderman Ritchey wants to allot \$30,000 to the golf course. Alderman Hernandez agrees as the property is the City's and we should keep it updated. Alderwoman Pyron did agree with that. Alderwoman Randall stated that the contract does not make the City responsible for the air conditioner.

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There was more discussion about Alderwoman Randall's voting for the previous golf management group; however, no examples were given. The rest of the Councilmembers feel the property is the City's and; therefore, should pay for replacements/repairs, and wanted one (1) pump and the air conditioner totaling \$30,000 to add to the budget.

- Council discussed the SRO (School Officer) car and salary. Dora V. Rodriguez, Interim City Administrator/City Secretary, advised that the Devine ISD pays the SRO salary and part of a new vehicle (if purchased). Mayor Cook advised Council that the rest of the cities in Medina County use the Sheriff Department for SRO's. Devine is the only City that pays for an SRO. Former County Commissioner, Jerry Beck, was present and did verify that the school pays salary while the SRO works at the school; then the officer becomes a sheriff deputy when school is not in session. Devine utilizes the same type of contract with the SRO for Devine schools. The school reimburses the City for the SRO's time at the school.
- Alderwoman Pyron stated that the proposed tax rate proposed of \$.005800 was with the intention for only the Public Hearing. The Council did not intend for it to be the actual tax rate. However, she is agreeing with Alderman Ritchey that the City needs to have a contingency plan to start saving for a new water tower. However, that item would not come out of the General Fund budget, it would come from the Water/Sewer budget. For that item, we will see what the TRWA comes up with from the water study. Alderwoman Pyron stated she is all for raising the tax rate to \$.005553, and with what we have added to the budget tonight, the surplus would be approximately \$366,000.
- Mayor Cook wanted everyone to understand that we still have to cover all the services for the City. He reminded Council about the tax freeze for over-65 years old has hit our revenue.
- Alderman Hernandez was seeing that the \$.005589 tax rate may be better to cover any emergency. Alderwoman Randall noted that with what Council added to the budget at this meeting, the \$.005589 tax rate would still have a surplus of \$374,000.
- Alderman Hernandez asked the meeting attendees what they thought. Both Marissa Gonzalez and Sylvia Lopez stated they were not sure when they were allowed to speak to Council; however, they were adamant about not raising the water rates. Marissa Gonzales told Council she feels that we, as a City, should not compare ourselves to other cities, such as San Antonio. We are Devine and a small city; we are not San Antonio. She also stated that it was difficult to hear Dora V. Rodriguez, Interim City Administrator/City Secretary, speaking, as she did not have a microphone. Marissa Gonzales also brought up about the fee for yard sales. She wanted to know what it supports. Dora V. Rodriguez, Interim City Administrator/City Secretary, explained that the fee is designated for the General Fund revenue. Mayor Cook added that the direction the Council was headed was to only raise the rates for the higher users of the water. The rates for water/sewer need to sustain the City water system. Another attendee, Ernesto Aguilar, inquired what the surplus goes to at the end of the year.

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Dora V. Rodriguez, Interim City Administrator/City Secretary, explained it will end up as cash in the bank, unless it is earmarked for a certain project, as Council did for the streets after the yearly audit. Mr. Aguilar asked how we were doing on the water pipe replacement project, if all the funds were finally released by the Texas Water Board. Dora V. Rodriguez, Interim City Administrator/City Secretary, confirmed the funds were finally released and we were current in paying the contractor. The City is in Phase 1, Part 2, of the 3 phases of the project.

- Mayor Cook told Dora to run the budget next week using \$.005553 or \$.005589 and the \$.005800.

The tenth order of business was Informational Items.

- Alderman Ritchey inquired when the Appraisal Board Nomination would be necessary. Dora V. Rodriguez, Interim City Administrator/City Secretary, advised that it would be on the agenda for next week.
- Alderman Ritchey asked if the City Attorney could reach out and contact Mr. David Grego to move his fence out of the cart path on the golf course (Hole #5). Alderwoman Randall advised the fence is on Mr. Grego's property. The old and new surveys indicate it is his property. Alderman Ritchey reiterated that he wanted to have the city attorney just ask if Mr. Grego would move his fence.

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

Ayes	--	Four – Aldermen Hernandez, Ritchey Alderwomen Pyron, Randall
Nays	--	None
Absent	--	One – Alderman Vega

Motion carried.

Mayor

City Secretary