

Minutes
Regular Council Meeting
August 19, 2025

On this 19th day of August 2025, at 6:00 p.m., the City Council of the City of Devine convened in a Regular Meeting, the same being open 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 Josh Ritchey
Alderman Ray Gonzales
Alderman Jeff Miller
Alderman Michael Hernandez
Alderman Harold Lance

Thus, constituting a quorum.

Personnel Present: David L. Jordan, City Administrator; Michelle Martin, City Secretary; Pete Sanchez, Director of Public Works; Christine Green; Interim Finance Director, Sophia Benavides, Finance Director; Chris Andrews, Police Lt., Joe Brown, Police Chief Tom Cate, City Attorney.

Others Present: Steve Hall, Fermin Rajunov, Lenny Rajunov, Ernest Munoz, Cynthia Sultenfuss, Tim Razor, Gus Guzman, Anton Riecher, Devine News.

Budget Workshop began at 6pm. Mayor and Council are reviewing budget recommendations for the Proposed Budget FY 2025-2026.

Council reviewed the proposed budget for FY 2025–2026, which maintains the current property tax rate with no increase. Discussion covered departmental budgets, staff adjustments, new fund structures, and capital projects.

General Fund Highlights

- 3% Cost-of-Living Adjustment (COLA) for all existing employees, aligned with the CPI.
- Library Clerk Position converted from part-time to full-time (not an additional position).
- Health Insurance: Estimated 15% increase; final rate pending confirmation from Mr. Munoz.
- Capital Outlay: Ongoing allocations for vehicle and equipment needs reviewed by department.

New Special Revenue Funds

- Child Safety Fund
- Technology Fund (Building Security)

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- Police Seized Assets Fund
- Re-classifications of existing budgeted funds, not new taxes.

Police Department

- \$6,000 added for community engagement programs.
- Restoration of one previously frozen police officer position (total: 11 including Chief).
- Council unanimously endorsed community engagement and recruitment efforts.

Airport Enterprise Fund

- Airport operations separated into a new Enterprise Fund.
- Debt service remains in the General Fund.
- Hangar rental fees increase 10% annually; long-term goal to extend runway to 5,000 ft.

General Fund Composition

- 14 departments funded. Primary revenue sources: Property Tax & Sales Tax \approx 66% of total revenue.
- Interest income expected to rise due to improved cash management and Lone Star accounts.
- Overall expenditure increase: 3.5% over FY 2024 (excluding capital outlay).

Mayor Cook welcomed everyone to the regular meeting at 7:06pm.

The second order of business was invocation. Alderman Ritchey delivered the Invocation. Mayor led the Pledge of Allegiance to the United States Flag and the pledge of Allegiance to the Texas Flag.

The third order of visitor's/citizens forum. No one signed up to speak.

The fourth order of business was public recognition. There was none at this time.

The fifth order of business was employee recognition. There was none at this time.

The sixth order of business was to approve the meeting minutes from July 29, 2025. Alderman Ritchey made a motion to approve the minutes. Alderman Miller seconded the motion.

Motion Carried 5-0.

The seventh order was to consider and act on ratification and confirmation of employment/appointment of City Secretary Michelle Martin, Finance Director, Sophia Benavides, Court Administrator, Cassandra Maldonado, and Chief of Police Joe Brown III.

City Administrator David Jordan recognized the following new team members. Per City Ordinance these positions must be ratified before City Council.

Alderman Ritchey made a motion to ratify and confirm appointments of set personnel. Alderman Gonzales seconded the motion.

Motion Carried 5-0.

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The eighth order of business was to Consider and act upon the recommendation of the Planning and Zoning Commissioner's Meeting held on August 18, 2025. A plat submitted by Jazmin Ritchey for 1106 N. Windy Knoll Dr. Mayor Cook said at this time this item will need be tabled for another council meeting. It requires more information at this time. Alderman Miller made a motion to table agenda item #8. Alderman Gonzales seconded the motion.

Motion Carried 4-0 Abstained Alderman Ritchey

The ninth order of business was a presentation and discussion on Large-Scale Mixed-Use Development. Steve Hall, Commercial Real Estate Agent came up to the front to present information about a potential prospect for the 74 acres off of I-35 for mixed use development. Fermin Rajunov has done a lot in real estate and developed areas. Fermin got up and spoke about different parcels of land that his company has developed. They loved to do challenging properties. We see this as a partnership with the City of Devine. We would need to do a survey of the property and then do a contract to present to the city on purchasing the land. This project can take 3-5 years. A project like this can bring more taxpayers to the city. This property would be a mix development of homes and commercial. Alderman Hernandez asked if he already had an idea of how this would be developed. Fermin said no, but has an example of other properties they have developed near the Toyota Plant. Alderman Miller said we have a need for affordable housing. He also said access is going to be a big part of developing this property. Right now, Fermin's company wants to do a survey using Pape Dawson to begin the process. Items that may need to be addressed are water and sewer resources. After the survey we can present a survey that could take months. Alderman Ritchey asked if council needs to make a motion to give them permission for them to do a survey. Alderman Ritchey made a motion to give permission for Fermin with Cultiva to access the property to conduct a survey. Alderman Gonzales seconded the motion.

Motion Carried 5-0.

The tenth order of business was to discuss the upcoming Cactus Festival.

City Administrator David Jordan introduced the President of the Chamber of Commerce Cynthia Sultenfuss. Mrs. Sultenfuss started off by first thanking the City of Devine for being sponsor of the Cactus Festival. She provided an update on the layout of festival and steps that will be taken to ensure for safety and flow of vendors/traffic. The festival will actually be taking place Thursday for the carnival and adding Friday for vendors/bands. The final day Saturday will be the big day with the parade. Sultenfuss said that the Chamber of Commerce does support local non-profits such as the Devine Garden Club and Devine Food Pantry. She is asking for help to shut down streets and for vendors. She is also asking for support of council of the donation of \$5,000 for the Cactus Festival. Alderman Ritchey made a motion for street closures for the parade and for the \$5,000 donation for the Cactus Festival. Alderman Michael Hernandez seconded the motion.

Motion Carried 5-0.

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The eleventh order of business was to discuss the upcoming St. Joseph's Festival.

Gus Guzman with St. Joseph's church came up to speak about the upcoming St. Joseph's festival. St. Joseph's has been in the community for 100 years and has had this event for many years. Guzman is asking for road closure on Washington Street midnight on Friday and they will be tearing down on Saturday night. They also need a noise variance. Alderman Ritchey made a motion for noise variance and road closures. Alderman Gonzales seconded the motion.

Motion Carried 5-0.

The twelfth order of business was to consider and act upon entering into an interlocal agreement with the Devine ISD regarding public use of the Tennis Courts.

Alderman Miller said he spoke to the Coach and practice is held every day all school year. Alderman Hernandez asked why do we own the tennis courts. Mayor said the City of Devine has owned this for a while. Alderman Ritchey said he can support this if they allow for youth organization groups to use this for free. Alderman Miller said the coach told him that the courts will expand and the school will be using the tennis courts all of the time including Saturdays. Miller said he foresees the public being squeezed out. Alderman Hernandez made a motion for City of Devine to enter into local agreement with Devine ISD for \$14,500 for renovation of the tennis courts. Alderman Jeff Miller second the motion.

Motion Carried 3-2. Opposed Alderman Ritchey and Alderman Gonzales.

The thirteenth order of business Consider and act on entering into a water agreement contract with Nueces River Authority. City Administrator Jordan stated that the contract being presented is for a two-year commitment for \$54,000 for one million gallons of water. The payments are made in two payments bi-yearly. Alderman Ritchey asked what was the price per gallons of water. Alderman Miller I am not opposed to having another water source, but he's not sure on the usage of water. It gives City of Devine an opportunity to begin the process of working with Nueces Water. Council discussed concerns and questions about the services and the requirements of entering into a contract with Nueces River Authority. Mayor concerned that we may be passing up an opportunity for the City of Devine. Alderman Ritchey said that the rep said you have take possession of the water that you agree upon. Mayor will cost 54-55k to get our foot in the door. Alderman Miller do we have money in our budget to cover these costs. David said he can bring back the representative from Nueces River Authority for further discussion. Alderman Hernandez made a motion to table this until the next council meeting. Alderman Miller seconded the motion.

Motion Carried 5-0

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The fourteenth order of business Consider and act upon the Proposed Benefits Plan for FY 25-26. Ernest Munoz from Frost Insurance Services presented the rate comparisons and savings between Cigna and Aetna. Aetna offered significant savings of \$62,000. Aetna will offer \$14k credit to kick off enrollment. Alderman Miller said that Aetna does have a good rate on their prescription rates. Ernest Munoz recommended the plan having two options for a Regular Plan and a Buy Up Plan with different deductible levels. Ernest Munoz also described the other services too (vision, dental, life) through MetLife. MetLife came in 10% less in costs for the City of Devine. Employees are responsible for 100% of costs for services such as vision, dental, and other life policies. The city does pay 100% of cost for life insurance coverage of \$50k and 100% on medical for employee coverage only. Mayor Cook so this is only 1.8% increase. Munoz confirmed that is correct. Alderman Miller made a motion for Aetna offering both options to employees. Alderman Hernandez seconded the motion.

Motion Carried 5-0

The fifteenth order of business submission and discussion of no-new revenue and voter approval tax rate for FY 2025-2026. Sophia Benavides Finance Director presented the no-new revenue and voter approval tax rate for FY 2025-2026 with no change for the upcoming budget year. Currently the 2024 tax rate is 0.56. This past year we have been at 0.59 and that is what we are proposing again. This is for discussion purposes only. Mayor asked if council is required to certify the tax rate tonight, City Administrator Jordan said no. This is for discussion only. Ms. Benavides went through the presentation of the tax rate and of what is being proposed and how the tax rate works.

The sixteenth order of business was executive session- pursuant to Section 551.074 of the Texas Government Code-personnel matters, employment agreement with the City Administrator.

Mayor and Council went into Closed Session.

The seventeenth order of business was RECONVENE into Regular Session and Consider Action, if any, on items discussed in Executive Session.

At 9:17 p.m., the Mayor and Council came out of executive session and reconvened into Open Session. Mayor said no action was taken.

The eighteenth order of business was to Adjourn.

Alderman Miller made a motion to adjourn the meeting. Alderman Gonzales seconded the motion.

Motion carried 5-0.

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Michelle A. Watts
City Secretary

Butler Cook
Mayor