

Minutes
Regular Council Meeting
September 17, 2013

On this 17th day of September 2013, 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
Alderwoman Kathy Wilkins
Alderwoman Gina Champion
Alderman Steve A. Lopez

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

Personnel present: Gary Pelech, City Administrator; Dora V. Rodriguez, Assistant City Administrator/City Secretary; Denise Duffy, City Accountant; and Mary Badillo, City Financial Advisor.

Others present: Sandy Herrera, Devine News; Blake Caesar, ACI; James R. Spurgers, Deborah Dauphinee, and Sonia J. Lance, all of Devine.

The first order of business was the Public Hearing on the Proposed Tax Rate Increase for FY 2013-2014.

Mayor Herring, presiding, declared the Public Hearing open to the public at 6:01 p.m. He informed everyone that we are not increasing the tax rate; we are keeping the same tax rate at .5690 which has been the same for the last three years.

There were no comments from the public.

At 6:02 p.m., Mayor Herring closed the Public Hearing.

Motion by Alderman Lopez, seconded by Alderwoman Champion to close the Public Hearing.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

Mayor Herring then called the regular meeting to order. Mayor Herring also delivered the Invocation and led the Pledge of Allegiance.

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The second order of business was the Visitors/Citizens Forum.

No one signed up to speak under this item.

The third order of business was Recognition.

There was no recognition at this time.

The fourth order of business was to discuss and consider amending ACI's Garbage Contract.

City Administrator Gary Pelech informed Council that Mr. Blake Caesar of ACI is willing to forego increasing the CPI cost of living adjustment if the City agrees to one small change in the contract. He then asked City Attorney Tom Cate to explain this change.

City Attorney Tom Cate explained that under the Term of Contract section, ACI's contract would automatically renew at the end of each term for one additional year unless either party gives the other party written notice of termination and if that happens, then the contract would continue for an additional four years from the date of that notice of termination, unless the contract is terminated for some other cause. He stated that it's basically a rollover contract; it will keep on going until someone decides to cancel it.

Mr. Blake Caesar also explained to Council that the severability clause would remain as part of the contract. He also explained that there are two clauses for cause of termination which are for bad service and rates increasing; for example, if he comes in and says he's increasing the rates and the City deems it not reasonable.

City Council held brief discussion and then thanked Blake Caesar for going above and beyond the terms of the contract.

Motion by Alderwoman Champion, seconded by Alderman Lopez to amend ACI's Garbage Contract.

Amendment of City of Devine's Waste Contract attached as Exhibit A.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The fifth order of business was to discuss and consider Approval of Minutes: Regular Council Meeting, August 20, 2013; Special Council Meeting, September 3, 2013; and Special Council Meeting, September 10, 2013.

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City Council reviewed minutes.

Mayor Herring commented on the minutes for Regular Council Meeting, August 20, 2013, where it states that he presented a plaque to C.E. (Curly) Brehm for 4 years of service as Airport Manager. He said Curly had more years of service but it was interrupted service. Mayor Herring just wanted it noted that the City owes him another plaque.

Motion by Alderwoman Wilkins, seconded by Alderman Lance to Approve the Minutes for Regular Council Meeting, August 20, 2013; Special Council Meeting, September 3, 2013; and Special Council Meeting, September 10, 2013.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The sixth order of business was to discuss and consider the Annual Report and PILOT Check from the Devine Housing Authority.

City Council reviewed Annual Report letter submitted by Mrs. Aileen Montgomery, Executive Director of the Devine Housing Authority, and discussed the PILOT check in the amount of \$2,883.00 which represents Payment In Lieu Of Taxes for the City of Devine. Although she was not present, City Council thanked Aileen Montgomery and praised her for the outstanding work that she does with public housing, and congratulated her for the exemplary job that she does with the Housing Authority.

Motion by Alderman Lopez, seconded by Alderwoman Wilkins to approve the Annual Report and accept the PILOT check from Devine Housing Authority.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The seventh order of business was to discuss and consider re-appointments for the Housing Authority Board.

Mayor Herring announced that Mr. Ernest Ruston and Mr. Jim Lawler are both up for re-appointment as board commissioners for the Devine Housing Authority. He commented that they have both been doing a great job and hopes that they continue to do so. He will swear them in at tomorrow's meeting with the Devine Housing Authority.

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Motion by Alderwoman Champion, seconded by Alderman Lance to re-appoint Ernest Ruston and Jim Lawler as Commissioners for the Devine Housing Authority Board.

List of Local Housing Authority Board of Commissioners attached as Exhibit B.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The eighth order of business was to discuss and consider adopting an Ordinance authorizing the acceptance of Credit Cards as Payment for Fees, Fines, Court Costs, or Other Charges on behalf of the City; providing for the collection of a Processing Fee and Service Charge; providing for the repeal of conflicting ordinances; providing for a severability clause; and providing when this ordinance shall become effective.

City Administrator Gary Pelech emphasized that this ordinance is required by state law whenever we take credit card payments for Court. Even though we take credit card payments for Utilities, an ordinance is not needed for that, but for court payments it is required.

Motion by Alderman Lance, seconded by Alderman Lopez to Adopt Ordinance 9-13 authorizing the acceptance of Credit Cards as Payment for Fees, Fines, Court Costs, or Other Charges on behalf of the City; providing for the collection of a Processing Fee and Service Charge; providing for the repeal of conflicting ordinances; providing for a severability clause; and providing when this ordinance shall become effective.

Ordinance 9-13 attached as Exhibit C.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The ninth order of business was to discuss and consider amending Chapter 94-Traffic Ordinance of the City of Devine Code of Ordinances – Speed Limit on Malone Drive.

Alderman Lance addressed Council about the current speed limit on Malone Drive being 15 mph which no one abides by, he said, except when they are backing up or pulling into their driveways, and yet on the other side of the golf course on Jack Nicklaus, the speed limit is 30 mph. He requested the speed limit be changed to 30 mph which is normal.

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Council held discussion with City Attorney Tom Cate. Mainly, that the current 15 mph sign can just be removed since another section of the ordinance states that the speed limit on all streets is 30 mph unless otherwise posted, and it must be published in the paper once the ordinance is passed and approved by Council since we are increasing the speed limit; otherwise it provides for a penalty. Alderman Lance preferred that a new 30 mph speed limit sign still be posted on Malone Drive.

Motion by Alderman Lance, seconded by Alderman Lopez to amend Chapter 94-Traffic Ordinance of the City of Devine Code of Ordinances – Speed Limit on Malone Drive, now changed to 30 mph.

Ordinance 9-13A attached as Exhibit D.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

The tenth order of business was to discuss and consider signing the Annual Acknowledgement of Conflict of Interest and Code of Conduct.

Financial Advisor Mary Badillo addressed City Council and reminded them that the reason we are doing the Code of Conduct, Whistle Blower and Conflict of Interest is because there is a requirement called the Statement of Auditing Standards #99 (SAS-99). This is in place because of the Enron situation and all the fraud that started coming about in the workplace. She explained that as a Council, we are basically saying that we are overseeing all of these policies and any changes made to these policies. It also states that, as a City Council, we have approved an individual with financial expertise to read, analyze and interpret the financial statements of the City, which has been done. And, that we are accountable for having a fraud/risk-free workplace. She told City Council that in doing this, we not only educate ourselves but also the staff; the management part of the City, and then management flows it down to the staff members.

Motion by Alderman Lance, seconded by Alderwoman Champion to approve signing the Annual Acknowledgement of Conflict of Interest and Code of Conduct policies.

Ayes	--	Four
Nays	--	None
Absent	--	One (Alderman Valdez)

Motion carried.

City Council then signed all policies.

The eleventh order of business was the Budget Workshop.

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Mary Badillo, City Financial Advisor, informed Council that she, Dora and Denise have been working diligently on the budget for the next year. Some of the budget highlights that she mentioned are:

- Based on City Administrator's approval, we are working for 4% for the staff based on performance.
- General Fund – Looking at \$2,385,106 for total revenues
- Total expenditures - \$2,395,425
- Capital Outlay – Approximately \$41,000
- Transfers – Looking at an increase of \$23,000 over last year, which will bring it to \$50,000 to \$51,000.
- Debt Service – Based on taxes not going up, looking at total operating revenue at \$117,329; the total debt expenditures is \$119,000, giving us a deficit of \$1,741 which will be transferred in from the General Fund to make it a zero deficit.
- Sewer/Water Financial Summary – We are budgeting \$1,746,968 for total operating revenue for next year; total operating expenses at \$1,636,275, giving us a surplus of \$110,000. We are going to pull out the transfer mentioned earlier which will give us a net cash flow of \$400,180.
- New fund established (already approved by Council) – Lodging Tax Fund – based on the revenues and expenses that we had for this current year.
- Operating revenue for next year is at \$23,000; operating expenses at \$9,523 which gives us a surplus of \$13,477. This will just keep on increasing or decreasing from prior years; it will just keep on carrying over. The lodging tax is coming from the hotel/motel taxes.
- TCOLE – We are not budgeting anything for this account right now because we have not received any money from the State Comptroller; that's the money that makes up the TCOLE account. During amendments, there will probably be an actual figure for Council to review, and that is the only time that the City has any kind of expenses towards that particular fund.

Alderman Lance inquired about a new item under the Library for Consulting fees. He wanted to know who we are paying and why. City Secretary Dora V. Rodriguez explained that this new line item will be used for when Barbara Moore, Library Director, needs help with her computers to pay the computer tech. She explained that before this was being taken out of a different line item and it shouldn't have; it should have its own line item.

Mayor Herring and City Council complimented and thanked City Financial Advisor Mary Badillo, City Administrator Gary Pelech, City Secretary Dora V. Rodriguez and City Accountant Denise Duffy for the many, many hours spent working on the budget.

The twelfth order of business was Informational Items.

Mayor Herring mentioned the following:

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- Flu shots are scheduled for September 26th at the Community Center.
- Crime Stoppers Tournament on September 28th.
- VFW – Mr. Bobby Dominguez has been in the hospital for three months now.
- Mark McLiney will be here in October. There's a possibility that we might have another bond refund.
- Condolences to our extended and city families who have lost loved ones.
- Mayor Herring thanked Alderwoman Gina Champion (Mayor Pro-Tem) and her husband Chris Champion in advance; they will be attending a quarterly meeting of the Medina County Hospital Advisory Board at Sammy's in Castroville, while he attends a Little League meeting.

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

Mayor

City Secretary