

Minutes
Regular Council Meeting
October 15, 2013

On this 15th day of October 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
Alderdwoman Kathy Wilkins
Alderdwoman Gina Champion
Alderman Steve A. Lopez
Alderman David Valdez

Thus, constituting a quorum.

Personnel present: Gary Pelech, City Administrator; Dora V. Rodriguez, City Secretary; Denise Duffy, City Accountant; and Tom Cate, City Attorney.

Others present: Sandy Herrera, Devine News; Ann Chen, Medina Valley Times; Mark McLiney and Andrew Freiman, Southwest Securities, Inc.; Sonia J. Lance, Charles O. West, Draye Miller; Patti Richard, Zack Richard and Matthew Richard, all of Devine.

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

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

No one spoke under this item.

The second order of business was Recognition.

There was no recognition at this time.

The third order of business was to discuss and consider adopting a Proclamation for Breast Cancer Awareness for the Month of October, 2013.

Mayor Herring read the Proclamation out loud.

Motion by Alderdwoman Champion, seconded by Alderdwoman Wilkins to adopt Proclamation for Breast Cancer Awareness for the Month of October, 2013.

Proclamation attached as Exhibit A.

Regular Meeting Minutes
October 15, 2013
Page 2

Ayes	--	All
Nays	--	None

Motion carried.

The fourth order of business was to discuss and consider Approval of Minutes: Regular Council Meeting, September 17, 2013; Special Council Meeting, September 24, 2013; and Special Council Meeting, October 1, 2013.

City Council reviewed minutes.

Motion by Alderman Lance, seconded by Alderman Lopez to Approve Minutes for Regular Council Meeting, September 17, 2013; Special Council Meeting, September 24, 2013; and Special Council Meeting, October 1, 2013.

Ayes	--	All
Nays	--	None

Motion carried.

The fifth order of business was to discuss and consider adopting an Ordinance authorizing the Issuance of "City of Devine, Texas General Obligation Refunding Bonds, Series 2013", Levying an annual Ad Valorem Tax, within the limitations prescribed by law, for the payment of the Bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the Bonds; authorizing the execution of a Paying Agent/Registrar Agreement, a Purchase and Investment Letter, and an Escrow Deposit Letter; complying with the Letter of Representations on file with the Depository Trust Company; authorizing the execution of any necessary engagement agreements with the City's financial advisors and/or bond counsel; and providing an effective date.

Mr. Mark McLiney introduced himself and his partner, Mr. Andrew Frieman, of Southwest Securities. Mr. McLiney has been working 20+ years with the company and about the same amount of time with the City of Devine. He said he's been reviewing bonds with City Administrator Gary Pelech and City Secretary Dora V. Rodriguez, and looking for ways to save money, so they bid out on the opportunity to save money for the City.

Mr. Andrew Frieman then addressed City Council to go over the bid results and refunding bonds. City Council reviewed a handout of General Obligation Refunding Bonds as Mr. Frieman talked about the bidders. They received seven bids from six banks which, he said, were very strong bids. The average interest rate ranged from 2.33% to 2.81%. They recommend that we go with the low bid which in this case was Broadway National Bank at 2.33%. The lowest interest rate drives the savings up higher and higher. He explained that when you factor in the purchasers cost for attorney's fees and other costs, the true interest rate came to 2.31% which is substantially below what was discussed with Mr. Gary Pelech and Mrs. Dora V. Rodriguez.

Regular Meeting Minutes
October 15, 2013
Page 3

Mr. Frieman explained to Council that in the handout, they could see the number of bonds they were reviewing, and that they were all Series 2004 Certificates of Obligation with coupons (interest rates) ranging from 3.8% to 4.5%. He said that essentially, we are replacing 3.8% to 4.5% bonds with 2.31% paying bonds; this is where we create our savings. He said these are callable and we can take them from the investor on February, 2014; this is the most opportune time.

According to Mr. Frieman, they are going to issue \$1,840,000.00 in refunding bonds. He explained that the nuts and bolts of the entire refunding are the savings which comes to \$175,656.65 gross savings for the City. These savings will be realized and the savings are net of all costs. He explained that this will free up approximately \$10,000.00 to \$15,000.00 a year in cash flow to the City by going through with this refunding. He explained that getting seven bids from six different banks is very strong and with the help of City Council and the City having very strong finances; it helped to drive that interest rate lower. Also, with the city staff keeping a keen eye on everything, this helped generate the most savings for the City. With this said, he said it would be their recommendation for us to approve the Refunding Bonds; it would be a great win for the City of Devine.

City Council's reaction was that this sounds too good to be true and they had nothing but great comments, and they thanked Mr. Frieman and Mr. Mark McLiney for their work. Mayor Herring also thanked City Administrator Gary Pelech, City Secretary Dora V. Rodriguez, City Accountant Denise Duffy, and City Advisor Mary Badillo for their hard work.

Motion by Alderman Lopez, seconded by Alderman Valdez to Adopt Ordinance 10-13 authorizing the issuance of "City of Devine, Texas General Obligation Refunding Bonds, Series 2013".

Ordinance 10-13 attached as Exhibit B.

Ayes	--	All
Nays	--	None

Motion carried.

The sixth order of business was to discuss and consider approving the Comprehensive Plan for the City of Devine.

Mr. Aaron Smith addressed City Council on the Comprehensive Plan. He began by thanking the City for allowing C2 Global Professional Services, LLC (C2 GPS) the opportunity to do this work. He provided copies of the Comprehensive Plan to Council for their review. Mr. Smith explained the overall process and the reason for the Plan to Council. He said the legislative authority in Texas asked that cities and municipalities fill out a comprehensive plan that basically lays down the framework for longtime growth.

This was about a four month process. Mr. Smith informed Council that they set up a website when they first started working on this project – imaginedevine.com to get feedback from the public, and they had great success with that. They had around 4,000 visits to the website and over 300

Regular Meeting Minutes
October 15, 2013
Page 4

responses to surveys they posted on-line. They supplemented that with community sessions, a business round table, and one-on-one interviews with key stakeholders and, of course, meeting with City Council to get feedback before putting the Plan together.

Mr. Smith then discussed some highpoints of the Plan. He told Council that this is not binding; it's just sort of a snapshot of today and, he said, what they saw was a good direction for the City to grow in development over the next 10-15 years.

City Council said they appreciated all the help and work he put into this.

Motion by Alderwoman Wilkins, seconded by Alderman Valdez to approve the Comprehensive Plan for the City of Devine.

Comprehensive Plan attached as Exhibit C.

Ayes	--	All
Nays	--	None

Motion carried.

The seventh order of business was to review the Quarterly Report.

City Administrator Gary Pelech stated that everything looked good. City Council looked over the report. Mayor Herring expressed his appreciation and thanked everyone who had put work into this.

The eighth order of business was Information Items.

- Fall Festival on November 2nd, with parade beginning at 10:00 a.m. There will be one float for all of Council, and the candy has been ordered.
- We've had a lot of funerals; Mayor Herring expressed his deepest sympathy to all who have lost friends and loved ones especially the families of Don Stroud and Bobby Dominguez.
- Homecoming is this weekend!
- We're still waiting to hear from Alsay on the cost for the repair of the Edward's Water Well; we have another leak on that line again. So, we are running on Carrizo Wilcox Water right now.
- We also have a problem at the L.C. Martin Well; we will be changing to a different chemical to see if that works better.
- We are working on the Sewer Plant and it is progressing; it should be done in about a month.
- Fall Clean-up/Bulky Pick-up – This will be on October 21st. Residents do not need to call in as it will be a city-wide pick-up; however, we ask that no small brush be mixed with the

Regular Meeting Minutes
October 15, 2013
Page 5

bulky items as we have a special pick-up for small brush. There seemed to be some confusion on that.

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

Ayes	--	All
Nays	--	None

Motion carried.

Mayor

City Secretary