

CITY OF CONVERSE  
CITY COUNCIL MEETING  
MINUTES OF FEBRUARY 15, 2011  
7:00 PM

The City Council of the City of Converse met in a regular meeting at the Converse Municipal Complex on Tuesday, February 15, 2011 at 7:00 PM to discuss various items on the agenda. The following were present:

Mayor Al Suarez	MPT John Shadron, Place 3
Council Member Renee Paschall, Place 1	Council Member Grant Lopez, Place 2
Council Member Randy Pannell, Place 4	Council Member Robin Benbrook, Place 5
Council Member Steve Brown, Place 6	Mr. John Quintanilla, Interim City Manager
Mr. Rick Jamison, Chief of Police	Mr. Richard Wendt, Chief of Fire/EMS
Mr. Jerry Wilson, Finance Director	Mr. Karl Hoppes, Director of Facilities
Mr. Lupe Perez, Director of Utilities	Ms. Kate Silvas, EDC Executive Director
Mr. Rex Rheiner, Assistant Chief of Police	Ms. Kim Molder, Police Officer
Mr. Ray Christian, Assistant Chief of Fire/EMS	Ms. Jackie Gaines, Human Resource
Mr. Joe Williams, Building Inspector	Ms. Julie Rowin, Utility Billing Clerk
Ms. Michelle Burns, EDC Executive Secretary	Mr. Gil Martinez, Police Officer
Ms. Kim Molder, Police Officer (arrived 7:56 PM)	Mr. Jeff Tondre, P.E./City Engineer
Mr. Ray Ortiz, City Attorney	Ms. Penny Hieronymus, City Secretary

1. Call to Order

At approximately 7:00 PM, Mayor Suarez called the meeting to order.

2. Invocation

Mayor Suarez gave the invocation.

3. Pledge of Allegiance: To the U.S. Flag led by Mayor Suarez  
To the Texas Flag led by Mayor Pro Tem Shadron

Mayor Suarez led all those present in the Pledge of Allegiance to the U.S. Flag.

MPT Shadron led all those present in the Pledge of Allegiance to the Texas Flag.

Mayor Suarez introduced Council, Interim City Manager, City Attorney & City Secretary.

4. Roll Call and Recognition of Visitors

Mayor Suarez stated all CC members are present.

5. Consent Agenda. All Of The Following Items May Be Acted Upon By One Motion. No Separate Discussion Or Action On Any Of The Items Is Necessary Unless Desired By A Council Member

- A. Action to Approve City Council Minutes for Meeting Conducted on January 4, 2011
- B. Action to Approve City Council Minutes for Meeting Conducted on February 4, 2011
- C. Receive Minutes from Building & Standards Meeting Conducted on October 27, 2010
- D. Receive Minutes from Economic Development Corporation Meeting Conducted on January 11, 2011
- E. Action to Approve Financial Statements for October 2010
- F. Action to Improve Investment Report as of October, 2010
- G. Action to Appoint Mr. Robert Browning, 8904 Privilege Point, as Chairman of the Planning & Zoning Commission (Councilwoman Paschall)
- H. Action to Appoint Mr. Steve Bissell, 9614 Discovery Rise as a Member of the Park & Recreation Commission (Mayor Pro Tem Shadron)
- I. Action to Re-Appoint Mr. Sam Perez, 110 Meadow Drive, as a Member of the Park & Recreation Commission (Mayor Pro Tem Shadron)

MPT Shadron asked to pull item #5 D.

Council member Brown asked to pull item #5 A.

Council member Pannell made a motion to approve agenda items #5 B, C, E, F, G, H & I. MPT Shadron seconded the motion. It passed unanimously.

Agenda item #5 A:

Councilman Brown stated on Page 4, item #D: he would like the minutes to reflect his concerns on the letter from Co. Judge Nelson Wolff for \$105,000, clarification of the HUD Program & Home Program & our partnering & the cash match.

Council member Brown made a motion to table agenda item #5 A until the next meeting. Council member Pannell seconded the motion. It passed unanimously.

Agenda item #5 D:

MPT Shadron had a question on Page 5, item #16: he would like this on the next CC agenda. This item was never brought to CC.

MPT Shadron made a motion to approve agenda item #5 D, but to have it on the next CC agenda. Council member Pannell seconded the motion. It passed unanimously.

6. Special Consideration Items

- A. Recognition of Julie Rowin, Utility Billing, for More Than 15 Years of Service to the City of Converse (Mayor Suarez)

Mayor Suarez, CC & staff presented Ms. Rowin with a Certificate of Appreciation & City coin.

Ms. Rowin thanked everyone & introduced her husband, Walter & son, Ashton.

7. Citizens to be Heard. This time is provided for Citizens to address City Council on any issues and concerns. No City Council discussion or action can be taken if the item is not on the agenda. Please limit your remarks to three (3) minutes and state your name and address for the record. No personal attacks shall be allowed.

-Mr. Gerry Rush of 9835 Flatstone presented trees from the Arbor Society (envelope was mailed to him) to the City; this is the 4<sup>th</sup> year he has done this.

8. Public Hearing

- A. None

Mayor Suarez stated there were no Public Hearings.

9. Old Business

- A. None

Mayor Suarez stated there was no Old Business.

10. New Business

- A. Discussion and Appropriate Action on the Proposed Strategic Planning Process to Update City of Converse Master Plan (Mayor Suarez)

Mayor Suarez stated the CC has committed themselves this year to start working on the Strategic Plan with where we are right now, where we want to go & how we are going to get there. We are hoping for a short & long term plan.

Mr. Dan Norris, EDC Board Member & Director of Training with Holt Development Services, gave a briefing with a power point presentation. He wanted to offer some insight, input & his services to what the Strategic Plan should look like; very often people will create a plan that is so complex or difficult to see through that it becomes a binder that collects dust. Plan should be set up for Mayor, CC, citizens & workers; need to know what is really important to the organization; there are many ways to assemble a plan; agree on a process, put it together & commit to it; what is the overall purpose; marketing-how do we want the City to be known; operational expenses-how do we manage our cost; “what you will not do is just as important as what you will do”; lay Strategic Plan out in a variety of levels; how are we going to communicate & present our City to others; we can set up our performance expectations, tasks & goals. He explained a timeline schedule; start with retreat for several hours with no distractions & from there build it out. He gave an explanation of a Strategic Plan & a Master Plan.

Mayor Suarez made a motion to appoint Mr. Dan Norris to facilitate our Strategic Plan process & work with the CC. He stated Mr. John Mendoza wanted to partake as an intern along with P&Z Chair Mr. Browning & possibly some others. Council member Paschall seconded the motion. It passed unanimously.

Mayor Suarez acknowledged Mr. Robert Browning-Chair for the P&Z Commission, Mr. Steve Bissell-Member of P&R Commission & Mr. Sam Perez as a re-appointment to the P&R Commission.

- B. Discussion and Appropriate Action on the Request to Approve the Contract for the Use of City Park Ball Field #1 by Randolph High School, Randolph AFB (Interim City Manager & Mayor Pro Tem Shadron)

Mr. Pete West, Athletic Director of Randolph HS, stated they approached JYSF to use Ball Park Field #1. The baseball field on Base has been demolished.

MPT Shadron stated the P&R had a special meeting to discuss the contract, okay with P&R members, pretty standard contract, don't need to sell refreshments & term ends in April 21, 2011.

Council member Benbrook made a motion to approve agenda item #10 B. Council member Brown seconded the motion. It passed unanimously.

- C. Discussion and Appropriate Action to Approve the Resolution #619-2011, a Resolution of the City of Converse Authorizing the Filing of a Grant Application(s) with the County of Bexar, State of Texas for a U.S. Department of Housing & Urban Development (HUD) Community Development Block Grant (CDBG) & HOME Grants for Funding Fiscal Year (FY) 2011: Authorizing the City Manager to Act on Behalf of the City of Converse in All Matters Related to the Application; and Pledging that if the Grant(s) is Received, the City of Converse Will Comply with the Grant(s) Requirements of the County of Bexar, State of Texas and the U.S. Department of Housing & Urban Development (Interim City Manager)

Mr. Quintanilla stated this past Sat. Bexar County CDBG office conducted a public hearing at the GRASP Center & at that time the COC submitted an application requesting a \$200,000 grant with a pledge of \$75,000 as a cash match. This grant will fund the Fair Meadows Phase 1 (reconstructing Oak Street, Ash Street & Fir Dale). Recommends approval.

MPT Shadron made a motion to approve agenda item #10 C. Council member Brown seconded the motion. It passed unanimously.

- D. Discussion of Proposed Water Project to Improve Security of Various Wells Sites, Construction of an Inter-Connect Facility to Include a 750,000 Gallon Ground Storage Tank to Support the Delivery of Additional Water Resources Provided by Schertz-Seguin Local Government Corporation (SSLGC) and the Cibolo Valley Local Government Corporation (CVLGC) (Interim City Manager)

Mr. Quintanilla stated we are at the point where we have to consider the construction of a facility to receive the water that we have contracted with the City of Schertz-Seguin LGC & also the Cibolo Valley LGC.

Discussion included:

- Briefing on the "Background for Water Resource Development Project (WRDP)" handouts (Year, Projected Population, Projected Residential Demand, Projected Commercial Demand & Projected Total Demand)
- As of Jan. 2011, COC has permits & leases for 2,550 ACFT & are thus in deficit; we have approved a contract to deliver 500 ACFT from SSLGC & approved the partnership with CVLGC to deliver up to 3,000 ACFT
- We expect great economic development activity along Loop 1604 as this road construction to IH 10 comes to fruition

-We have substantial water facilities to support Converse north of the Union Pacific (UP) track & have 1 elevated storage facility (1MG) on Loop 1604 to support Converse south of UP tracks. Without additional storage facilities south of UP tracks, this condition presents public safety & public health challenges

-Proposal to Enhance Water & Economic Development Future of Converse:

\*Capital Improvement Items:

- SCADA & security systems for critical infrastructure-\$340,000
- Design of interconnect site-\$210,000
- Construction of 750,000 gallon ground storage tank-\$2,500,000
- Cibolo Valley Local Government Corp.-\$350,000

\*Funding Sources:

- Utility Fund Reserve-\$950,000
- EDC Reserve-\$250,000
- Proposed Cert. of Obligation Amt. Duration of Cert. of Obligation (12 years)-\$2,200,000
- Debt Service Funding – added to each monthly water bill to generate funds required to raise annual \$250K Debt Service Payment-\$3.72; this amount will allow us to build up a reserve over time & if we could pay this obligation off sooner we will, we have about 5,600 water accounts; there is a timeline & we have to have this facility constructed by Dec. 2011 to start receiving the water
- Mr. Tondre, Engineer with Vickery & Associates, is designing the infrastructure & this facility

Ms. Silvas stated:

- They discussed this last week at their EDC mtg. & it will go back to them for future Board consideration-need to proceed forward with committing funds should the CC make a decision in favor of making this investment
- They are in support of this & believe this is a very important investment for the future of Converse & EDC
- They have analyzed this request & feel it is necessary
- This would represent about 6 months worth of sales tax receipts for the COC
- This is the CVLGC (Converse, Schertz, Selma, Seguin & Cibolo)
- This is not a tax that would be assessed against the tax payer; it would be a rate adjustment

Mr. Tondre stated:

- There is a tight time frame in getting all of this done
- They are projecting having plans completed & bid in early June to allow them to start construction to about Dec. 18 & bring before CC to award a contract to go to construction
- The inter-connect, Schertz required there be an air gap between the Converse & Schertz water systems, so all of the water will be coming into a ground storage tank providing an air gap between the level of the tank & the inflow line

\*At approximately 7:56 PM, Officer Kim Molder arrived

Mr. Tondre went over the time line.

Mr. Ortiz stated there is a provision in the contract for a start date, for the Schertz Seguin contract where we can take up to 500 ACFT, originally they wanted to give us 6 months to construct the facility & we talked them into 8 months saying we might want a little extra time. But, after the 8<sup>th</sup> month, they would be allowed to charge us the monthly fee whether we take the water or not.

- E. Discussion and Appropriate Action by the City Council of the City of Converse, Texas of an Extension of the Financial Advisory Contract Between the City of Converse, Texas and SOUTHWEST SECURITIES, INC. (Interim City Manager & Finance Director)

Mr. Mark McLiney & Mr. Ryan Cunningham of Southwest Securities have worked with the COC since 2003, when we did our last financing & the re-financing in 2003-2004. The contract has expired & they are upstanding & extending the contact. They have to be under contract to work with us when we do Cert. of Obligations. The Council's wish tonight is to proceed with the Notice of Intention Resolution. This Resolution gives our citizens notice that we are going to issue Cert. of Obligation in the amount not to exceed \$2.2 million for utility system improvements. The notice gets published in the newspaper 2 consecutive weeks in the SA Express News & in addition can be in the Herald. The date of the sale is April 5 & then the CC can take action to authorize the sale. There is no requirement for a public hearing, but the Notice of Intention Resolution gives the voters notice & they have the right to petition to take this to an Election. On Aug. 5, they would bring interest rates & buyers here, then they would come with a recommendation to proceed. All of the legal papers would be put together & go the Attorney General of the State of Texas for the approval of the legal actions taken on by the CC.

Mr. Ortiz stated that the law says that a contract for personal or professional services, which is what this is, is exempt from any bidding requirements. Additionally, this kicks in as a \$50,000 amount where this is required; the amount being issued is \$23,000.

Council member Lopez made a motion to approve agenda item #10 E. Council member Pannell seconded the motion. It passed unanimously.

- F. Discussion and Appropriate Action on a Resolution #637 by the City Council of the City of Converse, Texas Authorizing and Approving Publication of NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; Complying with the Requirements Contained in SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; and Providing an Effective Date (Interim City Manager & Finance Director)

Mr. Quintanilla stated to get this started; we have to pass this Resolution tonight.

Council member Pannell made a motion to approve agenda item #10 F. Council member Brown seconded the motion. It passed unanimously.

Mr. McLiney thanked the CC & will work with staff & to let him know when the public hearings will be so they can have a representative attend to answer any questions on bonds & the financing portion.

Mayor Suarez stated he would like to have a detailed briefing with drawings.

- G. Discussion and Appropriate Action on a Request by the City Council of the City of Converse, Texas to the Converse Economic Development Corporation to Provide Funding in Conjunction with the City of Converse in the Amount of \$250,000.00 for Proposed Water Project (EDC Executive Director & Interim City Manager)

Ms. Silvas stated this is an action item asking for CC's approval to approach the COC EDC for their consideration of this action tonight to approve the \$250,000 investment of sales tax proceeds. This will require a public hearing at the EDC's next mtg. on March 8; a 60 day time frame will be associated with this expenditure of funds.

MPT Shadron made a motion to approve agenda item #10 G. Council member Paschall seconded the motion. It passed unanimously.

- H. Discussion and Appropriate Action on the Request to Approve the Closing of the South Seguin Entrance to the City Hall Parking Lot to Accommodate the Installation of the New Digital Marquee and a New Street Crosswalk (Mayor Suarez & Interim City Manager)

Mayor Suarez stated we approved the marquee last year, bid it out, are getting a good marquee & getting ready to put it in this month. An idea was brought forward to close the middle road to City Hall & put it right in the middle & to take advantage of possibly putting a crosswalk to allow employees a safe crosswalk.

Mr. Quintanilla stated we are talking about removing the asphalt from the entrance & putting in some type of a landscaping, which will be done in-house & there is about a \$3,000-\$4,000 additional landscape cost. The City & EDC budgeted \$30,000 each & the bid came in around \$40,000.

Council member Pannell made a motion to approve agenda item #10 H. Council member Lopez seconded the motion. It passed unanimously.

- I. Discussion and Appropriate Action on a Request to Approve the Annual Report for 2010 on Racial Profiling in Accordance with Federal & State Mandates (Police Chief)

Assistant Chief Rheiner gave a brief report:

- This is the annual report he has to give to CC
- Has already been filed with TCLOSE (Clearing House) & the State
- Pretty much identical to past reports, until you get to the Demographics & Tier 1
- The booklet contained: Introduction; Law; Background; Demographics; Tier 1 Data Report; Data Analysis; Summary & Findings
- Report is public information
- This will be turned over to Mr. Sagan, IT Tech, to put on the web page

MPT Shadron made a motion to approve agenda item #10 I. Council member Paschall seconded the motion. It passed unanimously.

- J. Discussion and Appropriate Action on a Request to Approve City of Converse Resolution #636; a Resolution Recommending Approval to the City Public Service (CPS) Energy to Fund a Total Estimated Amount of Approximately \$100,000 from Community Infrastructure and Economic Development (CIED) Funds for the Installation of Approximately 56 Street Lights and 40 Steel Poles Along Schaefer Road, Rocket Lane, Lower Seguin and Thornton Lane (Interim City Manager)

Mr. Quintanilla referred to the map on the Dias. The Mayor & Mr. Quintanilla have been working with CPS to get lighting approved in & around Converse. This allows the installation of this lighting & steel poles to be funded through the CPS seed fund account. The schedule includes for Schaefer Road by Oct. 2011; along Rocket Lane by May 2011 & Thornton Lane by July 2011. Recommends approval.

Council member Benbrook made a motion to approve agenda item #10 J. Council member Lopez seconded the motion. It passed unanimously.

11. REPORTS: In consideration of Texas Attorney General Opinion AG-0668, information provided on subjects not on the agenda shall be limited to statements of specific factual information; or recitation of existing policy. Any deliberation of or decision about a subject not on the agenda shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

A. Mayor's Report/Items of Interest

Mayor Suarez reported:

- Feb. 28 - NEP is hosting a trip to Austin for the Texas Legislature, meet at 8:30 AM at the Live Oak Civic Center sponsored by State Representative Joe Farias
- Thanked Chief Jamison for allowing Officer Molder to do the back ground investigations for the 2 City Managers
- Thanked Police Officer Sgt. Martinez for waking him up at 12:30 AM the other night, because he left the garage door open
- He received several calls on the 3-way stop that was installed in the Miramar Subdivision, citizens are very appreciative

B. Councilmember's Report/Items of Interest

Council member Pannell reported:

- The Building & Standards Commission that was scheduled for Feb. 24 has been re-scheduled to March 2 at 6:30 PM

Council member Brown reported:

- Stated there has only been 1 CC meeting minutes posted on the web site since Christmas 2010 & asked if we were behind in CC minutes, is there someone else in the office that can assist if the City Secretary is not there

Mr. Quintanilla stated Ms. Hieronymus is tasked to produce the minutes & has a lot of duties. She is doing her best on getting those minutes for Council review & approval.

Ms. Hieronymus stated that the last 2 minutes have been tabled. She has been out of service with her carpal tunnel syndrome surgery on both hands & 1 meeting was covered by EDC Assistant, Ms. Burns. Penny stated this falls under her job duty & takes full responsibility.

C. City Commission & Economic Development Corporation Reports

-Building & Standards Commission:

Council member Pannell had no report

-Planning & Zoning Commission:

Council member Paschall had no report

-Park & Recreation Commission:

MPT Shadron reported:

\*They just had a special meeting & discussed the JYSF contract

-Economic Development Corporation:

Ms. Silvas reported:

\*Busy couple of weeks

- \*Jan. 18-Accepted the EDC Executive Director position
- \*Have had 1 Board mtg. already
- \*Approved an item for the NEP to advertise in a magazine that will go nationally & internationally, called the Texas Wide Open For Business, which is used by the Governor’s Office to market Texas
- \*Aerial Focus-A company out of Dallas-Fort Worth that the Board approved a marketing material, which staff recommended for their approval; focuses on the overall look of Converse, can be used as collateral material at trade shows
- \*Prospect activity-She has had a couple of mtgs. & is encouraged
- \*Met with Governor’s Office last week & is encouraged with that relationship
- \*Will be putting together a proposed tax abatement policy for consideration by the EDC Board & by the CC
- \*Water system upgrades-Board considered favorably
- \*Re-visit the grant process for small businesses in the community, will take to EDC Board in March
- \*Feb. 25 at 8:30 AM in City Hall Conference Room–Open house for staff, Board & businesses in Converse
- \*Had some discussions about the Town Center Approach with developers
- \*Undertaking the Toepperwein project/expansion & re-location process

Mr. Quintanilla thanked Ms. Silvas, who has been an invaluable resource.

D. City Manager Report

- (1) Report and Discussion of Future Agenda Items
- (2) Report and Discussion of Items of Interest

Mr. Quintanilla reported:

- Working with CPS on some additional lighting on Toepperwein, should come back with another Resolution to get this funded
- Making progress on the demolition of the structure, The Trading Post, has until March 3 to have site cleared
- Working with Building & Standards on 3 other structures, which will be on the March 2 mtg.
- Future agenda items: The operational guidelines for the Citizens on Patrol  
Schedule public hearings for the water project discussed tonight  
City Council Minutes

At approximately 8:46 PM, Mayor Suarez called for a recess.

At approximately 8:57 PM, Mayor Suarez opened the Executive Session.

12. Executive Session

- A. Executive Session in Accordance with Section 551.071, Texas Open Meetings Act, to Consult with the City Attorney and Discuss Settlement Terms and Conditions and Potential Litigation Against Edwards Aquifer Authority (City Attorney & Interim City Manager)

Present: Mayor Suarez, MPT Shadron, Council members: Benbrook, Brown, Lopez, Pannell, Paschall, Mr. Quintanilla, Mr. Ortiz & Ms. Hieronymus.

At approximately 9:01 PM, Mayor Suarez closed the Executive Session.

At approximately 9:02 PM, Mayor Suarez opened the Executive Session.

- B. Executive Session in Accordance with Section 551.071, Texas Open Meetings Act, to Consult with the City Attorney and Discuss Potential Litigation Against R.L. Jones, LLP (City Attorney & Interim City Manager)

Present: Mayor Suarez, MPT Shadron, Council members: Benbrook, Brown, Lopez, Pannell, Paschall, Mr. Quintanilla, Mr. Ortiz & Ms. Hieronymus.

At approximately 9:20 PM, Mayor Suarez closed the Executive Session.

At approximately 9:25 PM, Mayor Suarez opened the Executive Session.

- C. Executive Session in Accordance with Section 551.074, Texas Open Meetings Act to Deliberate the Selection of a New City Manager (Mayor Suarez)

Present: Mayor Suarez, MPT Shadron, Council members: Benbrook, Brown, Lopez, Pannell, Paschall, Mr. Ortiz, Ms. Gaines & Ms. Molder.

At approximately 10:26 PM, Mayor Suarez closed the Executive Session.

At approximately 10:30 PM, Mayor Suarez reconvened to open session.

13. Reconvene to Open Session

- A. Discussion and Appropriate Action in Accordance with Consultation with the City Attorney Regarding the Settlement Terms and Conditions and Potential Litigation Against Edwards Aquifer Authority (City Attorney & Interim City Manager)

MPT Shadron made a motion to approve agenda item #13 A as discussed in executive session. Council member Lopez seconded the motion. It passed unanimously.

- B. Discussion and Appropriate Action in Accordance with Consultation with the City Attorney Regarding the Potential Litigation Against R.L. Jones, LLP (City Attorney & Interim City Manager)

Council member Pannell made a motion to approve agenda item #13 B as discussed in executive session. Council member Benbrook seconded the motion. It passed unanimously.

- C. Discussion and Appropriate Action in Accordance with Deliberations Regarding the Hiring of a New City Manager (Mayor Suarez)

Council member Brown made a motion to offer the employment as City Manager to Mr. Gary Jackson, subject to terms of employment being negotiated. Council Lopez seconded the motion. It passed with 5 members (Suarez, Shadron, Brown, Lopez & Pannell) voting for the motion & 2 members (Benbrook & Paschall) voting against.

14. Adjournment

At approximately 10:32 PM, Mayor Suarez adjourned the meeting.

City Council Minutes – Feb. 15, 2011

PASSED AND APPROVED THIS 15<sup>th</sup> DAY OF MARCH, 2011.

ATTEST:

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Al Suarez, Mayor

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Adriana I. Hieronymus, City Secretary