

CITY OF CONVERSE
CITY COUNCIL MEETING
MINUTES OF JUNE 21, 2011
7:00 PM

The City Council of the City of Converse met in a regular meeting at the Converse Municipal Complex on Tuesday, June 21, 2011 at 7:00 PM to discuss various items on the agenda. The following were present:

Mayor Al Suarez	MPT Grant Lopez, Place 2
Council Member Kathy Richel, Place 1	Council Member Andy Selko, Place 3
Council Member Randy Pannell, Place 4	Council Member Laura Beehler, Place 5
Council Member Steve Brown, Place 6	Ms. Shawna Dowell, City Manager
Mr. John Quintanilla, Assistant City Manager	Mr. Rick Jamison, Chief of Police
Mr. Jerry Wilson, Finance Director	Mr. Robert Ayala, Librarian
Ms. Kate Silvas, EDC Director	Mr. Robert Ramirez, City Judge
Mr. Gerald Coker, Police Sergeant	Ms. Karen Clary, Police Officer
Mr. Ray Moehrig, Police Officer	Ms. Trisha Neeley, Court Clerk
Ms. Joyce Sheldon, Court Clerk Deputy	Mr. Hale Palo, Warrant Officer
Mr. Chris King, Police Officer	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

Council member Randy Pannell 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 Lopez

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

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

4. Roll Call and Recognition of Visitors

Mayor Suarez stated all CC members are present. He introduced the Council & staff. The Mayor recognized our Judge Robert Ramirez.

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 May 17, 2011
 - B. Receive Parks and Recreation Commission Minutes for June 13, 2011
 - C. Receive Planning & Zoning Commission Minutes for May 2, 2011
 - D. Receive Economic Development Corporation Minutes for May 10, 2011 Meeting
 - E. Action to Appoint Ms. Cricket Temkin, as a Member of the Beautification & Environmental Commission
 - F. Action to Appoint Ms. Marilyn Wallace, as a Member of the Beautification & Environmental Commission
 - G. Action to Appoint Ms. Renee A. Paschall, as a Member of the Beautification & Environmental Commission
 - H. Action to Appoint Mr. Rodger Dennes, as a Member of the Beautification & Environmental Commission
 - I. A Action to Appoint Ms. Deborah James, as an Alternate Member of the Beautification & Environmental Commission
 - J. Action to Appoint Ms. Carnette Reed, as a Alternate Member of the Beautification & Environmental Commission

MPT Lopez pulled agenda items #5 E-J.

Council member Pannell made a motion to approve agenda items #5 A-D. MPT Lopez seconded the motion. Passed unanimously.

MPT Lopez stated he was happy to see people sign up for the B&E Commission; & did have an issue on the way they were voting on members tonight as well as alternates. He thinks CC needs to be voting on every application as they come in & the order in which they are received; for the future, he would like to see the applications as they come into the City staff needs to make an effort to get it out to the liaison & get it on the next agenda. He did state that he was the liaison & did not receive some of the applications.

Mayor Suarez explained the process on the volunteers & being on the Commission. Every member has to be appointed by the CC, it takes a majority vote & that is why we added on the bottom of the Commission application courtesy copies to: City Manager, Administrative Assistant, Mayor, Council Liaison & Commission Chairperson.

Council member Beehler stated this Commission was formed July 2010. She reviewed the applications & made her best selection based on several criteria. She does ask that anybody that has applied for this Commission to come & help. She appreciates the citizens stepping up & filling vacant positions.

Ms. Dowell stated we can address this so they go out immediately.

Ms. Hieronymus stated she takes full responsibility; they are coming in & dated.

Council member Brown made a motion to approve agenda item #5 E-J. Council member Beehler seconded the motion. It passed with 6 members (Suarez, Lopez, Beehler, Brown, Pannell & Selko) voting yes & 1 member (Richel) voting against.

6. Special Consideration Items

- A. Recognition of Gerald Coker Jr., Patrol Sergeant, for More Than 15 Years of Service to the City of Converse (Mayor Suarez)

Council & staff recognized Mr. Coker & presented him with a Certificate of Appreciation & City coin.

- B. Recognition of Karen Clary, Patrol Officer, for More Than 5 Years of Service to the City of Converse (Mayor Suarez)

Council & staff recognized Ms. Clary & presented her with a Certificate of Appreciation.

- C. Recognition of Raymond Moehrig, Patrol Officer, for More Than 10 Years of Service to the City of Converse (Mayor Suarez)

Council & staff recognized Mr. Moehrig & presented him with a Certificate of Appreciation & City coin.

- D. Recognition of Joyce Sheldon, Deputy Court Clerk, for Successful Completion of the Texas Municipal Court Clerk Certification, Level 1 (Mayor Suarez)

Council & staff recognized Ms. Sheldon & presented her with a Certificate of Appreciation.

- E. Recognition of Patricia Neeley, Court Clerk, for Successful Completion of the Texas

Council & staff recognized Ms. Neeley & presented her with a Certificate of Appreciation.

- 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.

-Ms. Cricket Temkin of 304 Avenue D read an accommodation letter on behalf of Fred & Irma Dolifka, members of the First Baptist Church of Universal City for its summer Vacation Bible Study at the Converse Park. They thanked the Park Dept., Mr. Jorge Longoria, CC & City staff for assisting in setting up the Park for their needs & outreach to show our children how to live a life with love & service for others. The COC had the largest number of participants (44 children) in the park that day & it was wonderful.

8. Public Hearings

- 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 Strategic Plan for the City of Converse, Texas (Mayor Suarez) (Dan Norris)

Mr. Norris gave a follow up briefing & power point presentation on the strategic plan, create a strategic vision, a vision statement & then begin master plan, plan has to be obtainable, relevant & have a time frame, where do we want to go, what's the focus, clarify the long term vision for the City & the major milestones along the way, what do we want it to look like & have to consider operational expenses. He suggested creating an on-line survey, follow up with a workshop & write a vision statement.

We will try to post this after the holiday, being July 5 & collect by the 19th & utilize the information in the budget workshops.

- B. Discussion and Appropriate Action on the Quarterly Report by the Chair of the Parks and Recreation Commission (Parks & Recreation Chair) (City Manager)

Mr. Stubbs gave a report from his time as Chair in Jan. 18, 2011 to present.

- North Park-met with SA Audubon Society for a bird guide for bird waters & butterfly garden
- Accepted a Chase Tree by Ms. Pricilla Banks of the Baha'i faith organization, which has been planted at North Park in the garden, plans are being made for additional plantings & garden designs
- April 16-Participated in a joint Easter Egg Hunt with the Converse Citizens Fire Academy Alumni Assoc. (CCFAAA) in North Park
- CCFAAA-submitted a letter thanking P&R for their participation in the Easter Egg Hunt & P&R will send a letter to the CCFAAA
- North Park restrooms are completed, but are lacking electricity, pavilion does not have electricity
- June 13-Presentation by Mr. Dale Bransford, SA River Authority Eng. to discuss enhancing park developments & federal funding resources for Converse Parks
- Assessment of surface water potential for more flowing water in our creeks & the means to better access State & federal grants
- Mapping the parks to better find the geographical features & identify the actual potential resources they contain
- This Thurs., P&R will participate in a walk-through in North Park
- Barriers are being erected in North Park to control automobile traffic & parking
- Annual 9/11 Ceremony begun last year is planned to be continued at North Park in Sept.
- Continued dev. of City Park involves completed updates on contacts with the Converse Cardinals & Judson Youth Sports Foundation (JYSF)
- Leak at City swimming pool was repaired
- Work has been done to improve the lighting in certain areas of the City Park, there is come additional work planned but completion depends on availability of funds
- East Park remains undeveloped & do plan to do an assessment in the near future
- Parks master plan is fully being prepared & much depends on the funds to implement such a plan
- Thanks to Ms. Dowell & her office & Mr. Hoppes who gets the job done for P&R
- Thanks to the P&R Commission members who dedicate their time & energy to the improvement of Converse

-The P&R Commission thanked Mr. Bissell who assisted with 4 digital copies of the following events: 50th Anniversary of Converse Parade, speech by Dr. Davidson Hepburn, speech by Mr. Mario Salas, speech by Dr. Hans Yorkclaman, all hosted in Converse in Jan. 2010, copies of the videos will also be presented to the Converse Public Library

-P&R submitted a budget to Ms. Dowell & Mr. Hoppes for the 2011-2012 fiscal year & thanked them for the funds

-P&R commends the Parks crew under the guidance of Mr. Hoppes for doing an outstanding job in maintaining the Parks

- C. Discussion and Appropriate Action to Approve the Proposal from Centex Equipment Sales, Inc. for the purchase and delivery of a 2005 CAT 963 "C" track loader to the City of Converse for the amount of Eighty-two Thousand Five Hundred Dollars (\$82,500) (City Manager)

Ms. Dowell stated we posted this in the newspaper & received 1 quote back. This money is coming out of the Stormwater Management Fees that are assessed to every property within our City limits. The amount not covered will be taken out of the Utility Fund reserves.

MPT Lopez made a motion to approve agenda item #10 C. Council member Pannell seconded the motion. Passed unanimously.

- D. Discussion and Appropriate Action to Approve the Audit for the Converse Economic Development Corporation for FY 2010 (Finance Director) (Assistant City Manager)

Ms. Deborah Fraser of Armstrong, Vaughan & Assoc. gave a briefing on the EDC audit for FY 2010 & on Page 1 is the independent auditors report stating that the financial statements are materially correct & fairly stated. She had requested that we have 4-6 months of operating reserve in the fund balance & EDC does; sales tax was off about \$20,000 from prior year. She stated there will be a change in fund balance & invited Ms. Dowell, Mr. Quintanilla & Mr. Wilson have been invited to a seminar they are going to put on.

MPT Lopez made a motion to approve agenda item #10 D. Council member Selko seconded the motion. Passed unanimously.

- E. Discussion and Appropriate Action to Adopt the San Antonio River Authority (SARA) Sewer Processing Rates (City Manager)

Ms. Dowell gave a briefing to adopt the SARA sewer processing rates. Converse for 2011-2012 our wholesale charge per month for 12 months will be \$9.59. We are growing & there are more house tops. This is SARA's Amendment No. 42 to Sewage Transportation, Treatment & Disposal Contract; this is truly a pass through charge to the customer directly. We do not receive a franchise fee from SARA.

Council member Pannell made a motion to approve agenda item #10 E. Council member Brown seconded the motion. Passed unanimously.

- F. Discussion on Cash Flow Analysis (City Manager)

Ms. Dowell gave a presentation on the cash flow analysis on the General Fund (GF). She did this by month so they could see the trends in revenue that comes in by monthly, quarterly or annually & there

will variations as they go each month. Ad valorem taxes do not begin to roll in until the end of Nov., Dec. & Jan. timeframes; it is critical that we budget our projects & expenditures through the year to coincide with the revenue that is coming in & franchise fees come in quarterly. She noted that the categories may change next year as we are looking into implementing a new chart of accounts with a new financial software package. We have had to put some projects on hold, we are assessing every expenditure as we go & are trying to address as many projects as possible while staying in budget.

Ms. Dowell addressed the cash flow analysis for the Utility Fund (UF). She went over some of the revenues found in the UF & expenditures are basically the same as the GF.

G. Discussion on Six (6) Month Review of Operating Budget (City Manager)

Ms. Dowell gave a power point presentation & briefed on a mid-year financial summary over 7 months into the year & are 58.33% completed in the budget year. She went over the GF & UF revenues & expenses. She explained some of the expenditures well over the 58.33% (Debt Service payments & 2 police vehicles purchased from the DEA seizure monies), once we use the dollars the asset resides in the GF & we do not have an offsetting budget – we hope to rectify this year through a budget amendment & also rectify next year as we enter a new budget. We hope to budget some dollar amount even though we may not know what those expenditures are for but we will budget some dollar amount that is reasonable so we will have an offsetting budget to offset the expenditures, thus we do not have a negative showing up in the audit. Once this is done, we will see the 4.1% increase will vanish due to this small budget amendment, which can be done this year. She briefed on the insurance & premiums & it will reflect 75% for those premiums. Ms. Dowell briefed on maintenance & the line-item, we are reviewing this & believe there may be a re-classification that may be done on a line item. We monitor all expenditures by vehicle. On some projects, this is a 1 time expenditure category (50th Celebration & NIOC).

Ms. Dowell stated in the UF, we are 58.33% thru the fiscal year. People are conserving, we are a month behind on billing due to the billing cycle & at the end of the year the auditor does capture that. She went over non-potable water, sewer billing, garbage billing & storm water billing, water meter fees & water impact fees, water acquisition fees, SARA impact fees & other fees & their percentages, prior year funds, etc.

We have held on some projects, to make sure our fund balance is fairly healthy; we will take CC's direction (chip seal spreader, actual aggregate for the chip seal & the oil, Crestway project).

H. Discussion to Establish a General Fund & Utilities Fund Reserve Policy for the City of Converse (Mayor Suarez) (City Manager/Finance Director)

We don't have a policy right now & this is something the auditors identified. EDC is going to do the same thing. We asked the auditing firm to provide recommendations on a policy, which was provided to CC on the Dais provided to Mr. Wilson from Ms. Fraser dated 6/20/11 {Best Practice: Replenishing Fund Balance in the General Fund (2011) (Budget and CAAFR) (new)}. We need to take the recommendation from the auditor & move forward on the City's needs.

I. Discussion and Appropriate Action on a Request for Professional Services to Conduct a Utility Rate Study for Water and Sewer for the City of Converse (Mayor Suarez) (City Manager)

This came about for a study that we have never had & need. Ms. Dowell gave a briefing on what we need for this type of service & knew it would be approximately \$25,000 or more thru a budget amendment; this is to go out & find a consulting service to develop a utility based rate study for the City's water & sewer utility system; it is intended to achieve a water & sewer rate structure that will assure adequate revenues for operations, debt service retirement, capital improvements, debt coverage ratios, bond covenant requirements & to ensure the utility is operated on a self-sustaining basis, while considering the economic impact on the utility's customers. We included basic information about the City, information on the water & sewer system, equipment, they do a 10 year projection, this is to address the water requirements with EAA, TCEQ, etc. Ms. Dowell went over the RFQ process; receive them back by July 13, this is a 3-4 month process, this is a professional service & we don't have to go out for bids. At the last meeting, we chose to adopt the trigger levels & decided to hold the Stage 1 rates. We will come to CC on July 5 with a temporary fee structure for Stage 2; Stage 2 would be the collapsing of Stages 3 & 4 combined into a Stage 2 rate. But, currently we have already assessed our Stage 2 rates & citizens are already upset. We have gone out & asked for the rate structures from surrounding Metrocom cities that are on the EAA & try to utilize that as a base line to create a temporary rate structure for Stage 2 until such time we can actually do an official Utility Rate Study. The surcharges are defined in the Ord. that was adopted April 5, 2010. We will do a mailing out for what we are proposing for the Stages. We have adopted the SA Water System (SAWS) trigger levels & they are exact for Stages 1 & 2; SAWS purchased additional water & they are using that reserve & they are using the EAA terminology for the 10 day average for going into Stage 3; EAA is currently below 640' & we are choosing to hold off into going into Stage 3 until the exact day that SAWS announces that. Due to the inconsistencies, this is an easier approach to take. On July 5, we hope to have a rate structure for CC to approve & direct City staff to send out proposals & the City Manager to approve the RFP for the best selection. We must still conserve & encourage conservation. We will need to incorporate the "large family" in the Ord. when we amend the rates; possibly leave out "large" & replace with "high occupancy home" & include the fees for older people discount rates. Staff recommends approval.

MPT Lopez made a motion to approve agenda item #10 I & allow the City Manager & staff to make the selection based on information received. Council member Richel seconded the motion. Passed unanimously.

J. Discussion and Appropriate Action to Approve Budget Amendment #IV for General Fund and Utility Fund (First Reading) (City Manager)

Ms. Dowell stated:

General Fund:

-Amendment reflects the appropriation of \$1,000 for Library collection development
Increase Revenues – Donations \$1,000
Increase Expenditures – Book Purchases \$1,000

Utility Fund:

-Amendment reflects appropriation of \$25,000 for Water/Sewer Utility Rate Study
Increase Revenues – UF Fund Balance \$25,000
Increase Expenditures – Utility Rate Study

Council Member Pannell made a motion to approve agenda item #10 J. Council member Beehler seconded the motion. 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:

- Asked Ms. Dowell to relay thanks to Mr. Hoppes & his staff for a great job at the Parks
- Continue working on the strategic plan process
- Verify the marquee sign & it was supposed to be installed on 6/27

B. Councilmember's Report/Items of Interest

MPT Lopez reported:

- Thank Mr. Stubbs for his P&R report
- Ms. Dowell has done a great job on establishing some problem issues we have had & having us plan for our future
- Possibly set up a workshop/meeting on City Manager setting goals & priorities for this next year; her yearly evaluation will come by quickly

Council member Pannell reported:

- No report on Building & Standards
- Thurs., the Cibolo Valley Local Government Corp. (CVLGC) will get all of the paperwork signed & be part of the Corp.

Council member Brown reported:

- There is a big sign welcoming the opening soon of the new Town Square Apts. Next to O'Reilly's that has been there since 2004-2005, can we see about getting it taken down
- Thanked the Police Dept., last night about 12:30 AM he got a knock on door telling him that his door was open
- Put a plan in place for the City Manager's evaluation at the end of the year
- He has several Ords. that have not been codified – we have sent Ords. that have been passed & tasked the City Secretary to look into any additional cost to codify quarterly

C. City Commissions & Economic Development Corporation Reports

Parks & Recreation – Council Member Richel reported:

- No report

Building & Standards – Council member Pannell reported:

- No report

Park and Recreation – Council member Richel reported:

- No report

Planning and Zoning – Council member Brown reported:

-Met last night, had 2 items: preliminary plat for Lott's Landing expansion & approved a preliminary plat for Storage Units on 1976 & a retail business

Ms. Dowell gave more information on the Lott's Landing & plat from 1 parcel now into 4 parcels. The City has committed to \$15,000 to extend the sewer main to the edge of the property, which will be back on the P&Z agenda then to CC on July 19.

Beautification & Environmental – Council member Beehler reported:

-Mon. 27 – 1st meeting at 7 PM at the Converse Conference Room

Economic Development Corporation – Executive Director Kate Silvas reported:

-June 14 –EDC met & appointed 2 new board members, Mr. Roy Schauffele & Ms. Elizabeth Kuhlmann

-Elected a new President, Mr. Fernando Aranda & Vice President, Mr. Dan Norris

-June 16 & 17 - Attended the Rural Tx. Challenge Conference in San Marcos hosted by the Tx. Economic Dev. Council

-June 10 – Closed on 202 Hilltop

-May – Received 95% drawings for Toepperwein re-alignment & presented them to the Board at the June mtg.

-June 28 – Attending the Tx. Asia Energy forum in SA

-This Thurs. – Attending Certified Commercial Investment Manager's luncheon

-Next mtg. – July 12 at 6:30 PM

-Continue SECO grant

-Today, started the work on the HVAC for City Hall

-Continue to work on the CDBG grant

-RMCC announced the Taste of the Metrocom will be held in Converse this year at Boysville on Sept. 14 from 5 PM – 8 PM

-July 20-22 - Attending the International Economic Council in Tampa, Florida to work on her certification

-Continue work on sales tax analysis

Council member Pannell stated Ms. Silvas has done a great job like the City Manager & we appreciate her hard work & all she does.

D. City Manager's Report

(1) Report and Discussion of Future Agenda Items

Ms. Dowell reported:

-Toilet on Toepperwein has been removed

-Thurs., June 23 – Will be attending the Lion's Club meeting at GRASP at 7:30 PM

-June 23 – CVLGC mtg., will stand up the Corp.

-June 27 – Ms. Dowell, Mr. Quintanilla & Mr. Wilson will be in Austin for the Tx. Legislative Wrap Up

-June 29 – RMCC invitation to the Elected Officials Reception hosted by Frost Bank at the Schertz Civic Center from 6 PM – 7:30 PM

-July 4th weekend – She will be out of town & Ms. Silvas will serve as Acting City Manager

-July 7 – Police Alumni Academy is having a presentation on Human Trafficking

-July 20-22 – Holding budget workshops

(2) Report and Discussion of Items of Interest and the 50th Celebration

Mayor Suarez stated item #11 D-2 will be postponed.

Recess: 9:49 PM

Opened: 10:00 PM

12. Executive Session

- A. Executive Session in Accordance with 551.072, Texas Open Meetings Act, DELIBERATION REGARDING REAL PROPERTY regarding Real Estate Activity to Support Activities Associated with the Development of Water Resources for the City of Converse (City Attorney) (City Manager)

Present: Mayor Suarez, MPT Lopez, Council members: Beehler, Brown, Pannell, Richel & Selko, Ms. Dowell, Mr. Ortiz & Ms. Hieronymus.

Ended: 10:13 PM

Opened: 10:17 PM

13. Reconvene to Open Session

- A. Discussion an Appropriate Action in Accordance with Consultations Regarding Real Estate Negotiations to Support Activities Associated with the Development of Water Resources (City Attorney) (City Manager)

Council member Pannell made a motion to approve the amount as discussed in executive session. Council member Beehler seconded the motion. Passed unanimously.

14. Adjournment

At approximately 10:18 PM, Mayor Suarez adjourned the meeting.

PASSED AND APPROVED THIS 2ND DAY OF AUGUST, 2011.

Al Suarez, Mayor

ATTEST:

Adriana I. Hieronymus, City Secretary