

MINUTES
CITY OF HONDO
REGULAR CITY COUNCIL MEETING
October 24, 2022 at 6:00 p.m.

1. Called the meeting to order.
Mayor McAnelly called the meeting to order at 6:00 p.m.
2. Quorum check.
Mayor John McAnelly, Mayor Pro Tem Bobby Vela, Council Member Jose "Porky" Ytuarte, Council Member Brett Williams, Council Member Wesley Huesser, Council Member John E. Villa.

Absent: None.

Staff Present: City Manager Scott Albert, City Attorney Molly Solis, City Secretary Sue Ann Reyes, Human Resources Director Sharon Garcia, IT Network Administrator Josh Rodriguez, IT Support Specialist Adolfo Tellez, Community Programs & Projects Coordinator Jamie Kindred, Development Services Director Jason Lutz, Park and Recreation Director Lora Robbins, Water Division Superintendent Jeremiah Socarras, Chief Financial Officer Chris Hill.

3. Invocation by Mayor John McAnelly.
4. Pledge of Allegiance.
5. Citizens'/Public Comments: *Persons who desire to address the City of Hondo City Council will be received at this time. Those persons wishing to speak should complete a Public Comment Form and submit it to the City Secretary prior to the meeting. If the speaker wishes to comment on a particular agenda item, then the speaker should indicate such item(s) to on the form. Public comment is limited to 3 minutes per speaker. Speakers must conduct themselves in a civil manner. In accordance with the Texas Open Meetings Act, the City of Hondo City Council cannot deliberate or take action on items not listed on the meeting agenda)*

No public comment.

6. Discuss and consider approving the minutes from the September 19, 2022 Special Meeting and the September 26, 2022 regular meeting.

Mayor McAnelly stated the amount in paragraph four should have read \$213,000.00. The votes on Item number name should read Councilman Villa as absent. The minutes from September 26, item number 9 should read TMRS retirement system instead of TML. Item number 18 should read Councilman Villa as present.

Council Member Vela made a motion to approve the minutes with corrections from the September 19, 2022 special meeting and the September 26, 2022 regular meeting; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: Villa from September 19, 2022 special meeting. ABSENT: None.

7. City Manager's Report. (Scott Albert)

City Manager Scott Albert reported Bulk pick up would be on November 07, 2022, residents could start putting items out on November 01, 2022.

8. Public Works Report. (Rene Saenz)

Public Work Director Rene Saenz was out due to an emergency. No public works report was given.

9. Water Forecast Report. (Jeremiah Socarras)

Water Division Superintendent Jeremiah Socarras reported on the third quarter water report. He stated the City was still in a drought and still on water restrictions. Mr. Socarras reported the City did go into stage four restrictions on November 08, 2022. Mr. Socarras presented Council with a graph on file noting the City was about 4.5% over from last year and real close to the allotment. He stated there was 517 acre feet that could be brought from the airport if needed. The City would more than like be out of stage four in a week but would remain at stage three for the remainder of the year.

10. New Website Report. (Josh Rodriguez)

IT Manager Josh Rodriguez gave an update on the new CivicEngage website noting Civic Engage was currently milling in the content the City currently has into the new website. He stated staff would be verifying the information as it is translating to the new website. There will be three days of training for the website team due to the many modules included in the new website. In November, the team will be working with staff and divisions to verify and update the content on each division page. Mr. Rodriguez reported the new website would go live on January 02, 2023. The website would also be tied into the new CivicClerk module, which would be producing the agendas electronically.

Mayor McAnelly suggested adding to the current website an announcement regarding the changes.

11. Discuss and consider Resolution 394-22 for use of an alternative project delivery method, the Design-Build Method, for the City Hall Renovation Project and appointment of the City's Consultant Engineer, Freese and Nichols Inc., as the City's Design-Build Advisor for the duration of the project. (Lora Robbins)

Parks and Recreation Director Lora Robbins gave an update on the renovation improvement project, which was a part of the fiscal year 2022/2023 budget. Ms. Robbins stated it was important to involve Council in the process, as city hall was a vital facility for the City.

John New representing Freese and Nichols gave an overview of the Design-Build Method, the competitive bid method and the Construction Manager at risk method and presented a slide show on file. Mr. New stated he had met with staff and they both agreed the best approach was the Design-Build Method. He stated by state law a resolution needed to be approved before staff could move forward with this type of approach.

Council Member Ytuarte stated he would like a special meeting for more questions and answers. He asked if the project would exceed the approved budgeted amount. Mr. New stated it would not unless Council approved a new higher amount. Mr. Albert explained that once they had a designed floor plan they would guarantee the maximum amount but not until the project was designed. Mr. New stated when the RFQ is issued everyone who submits a proposal will know the budgeted amount of \$450,000.00.

Council Member Williams stated he felt this would be efficient and run smoother and quicker. Mr. Albert stated for clarification there was \$450,000, earmarked for the project. Once the design work done is done, the City will know how much the project would cost. The project did not include the council chambers or the restrooms. It included only the office spaces in the building.

Council Member Williams made a motion to approve the design build method for City Hall Renovation Project through the adoption of the attached resolution which is number 394-22 and approve the City's utilization of the City's existing consultant engineer Freese and Nichols, Incorporated as the City's design build advisor for the duration of the project in accordance with a task authorization for such services to be approved by the City Manager in an amount not to exceed \$26,893.00; seconded by Council Member Huesser. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

12. Hold a public hearing on a request from Ace Bail Bonds of Uvalde, represented by Sandra Herrera, for a Specific Use Permit to allow the subject property, 1106 18th Street, to be used as a Bail Bonds Office. (Jason Lutz)

Development Services Director Jason Lutz gave an overview of the request for the Specific Use Permit on file. Staff recommended approval of the Specific Use Permit. The Planning and Zoning Committee recommended approval unanimously.

Mayor McAnelly opened the public hearing at 6:41 p.m.

Brenda Luna, owner of ACE Bail Bonds stated she was the owner of Ace Bail Bonds and they have been in operation for over 17 years. She stated their prior location was across the street on Highway 90 but that the building was falling apart. She stated they are in the office approximately 12 to 15 times a month. Clients only come to the office to do the paperwork when they were bonded. Clients check in by phone thereafter. Ms. Luna asked for approval of the Specific Use Permit.

Councilman Villa asked if there had been any negative feedback from the community. Mayor McAnelly stated there were two letters in favor and two in opposition along with a note from the Chamber of Commerce. Mayor McAnelly asked if any of the persons appeared in person at the Planning and Zoning Commission meeting. Mr. Lutz stated they had not appeared in person but the letters were presented to the Planning and Zoning Commission.

With no one wishing to speak in favor or opposition, Mayor McAnelly closed the public hearing at 6:44 p.m.

13. Discuss and consider a request from Ace Bail Bonds of Uvalde, represented by Sandra Herrera, for a Specific Use Permit to allow the subject property, 1106 18th Street, to be used as a Bail Bonds Office. (Jason Lutz)

Council Member Williams stated the area was the face of the downtown area and the last thing he wanted to see there was a bail bonds business. He stated it had been painted black and it looked horrible.

Council Member Ytuarte asked if Council Member Williams was allowed to participate in the vote, as his wife was the sister-in-law of one of the persons that disagreed with the Specific Use Permit. City Attorney Molly Solis stated as long as Council Member Williams or his wife did not have any ownership interest or were benefiting from it he could participate.

Council Member Villa made a motion to approve the Specific Use Permit to allow the subject property, 1106 18th Street as proposed; seconded by Council Member Huesser. The motion carried by the following vote: AYE: Ytuarte, Huesser, Villa. NAY: Vela, Williams. ABSTAIN: None. ABSENT: None.

14. Discuss and Consider Water and Waste Water Division promotions. (Rene Saenz)

City Manager Scott Albert stated there were five employees who obtained their water and wastewater certificates moving them from Operator I to Operator II. Staff was requesting Council to approve the promotions in the amount of roughly \$24,000.00.

Council Member Villa made a motion to approve Water and Waste Water Division promotions; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

15. Discuss and consider approving Ordinance 1266-10-22 amending the City of Hondo Investment Policy as required by Chapter 2256 of the Texas Government Code; and setting an effective date. (Chris Hill)

Chief Financial Officer Chris Hill stated he had been reviewing the investment policy and that the current policy did not allow for US securities or money market accounts. Mr. Hill explained the percentage difference in investing in each accounts and stated the changes could improve the City's earning by almost \$400,000.00 compared from last year. He stated he wanted to align the investment policy with the future goals of the city and still keep it safe and liquid. Mr. Hill stated the requested change would be that the City would allow all investment options in the current policy, which would add US Securities and USA agencies as well as money market accounts. Mr. Hill suggested removing specific pools that were not necessarily going to fit with the City moving forward and changing it to any Triple A rated Texas investment pool because those were in the category the City could use with the current investment policy. The changes were in the resolution to open up all the options and add any triple A rated Texas government investment pool, not just specific ones.

Council suggested presenting a quarterly report on investments moving forward.

Council Member Ytuarte made a motion to approve Ordinance 1266-10-22 amending the City of Hondo Investment Policy as required by Chapter 2256 of the Texas Government Code; and setting an effective date; seconded by Council Member Villa. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

16. Discuss and consider approving proposal for banking services and authorize City Manager to sign contract and any related documents. (Chris Hill)

Chief Financial Officer Chris Hill stated they received two proposals from TXN Bank and Vantage Bank. Mr. Hill gave an overview of the two proposals on file. Mr. Hill stated TXN bank charges were the better savings and recommended TXN Bank for banking services.

Council Member Ytuarte made a motion to approve the proposal by TXN Bank and approve the City Manager to sign a five-year contract with TXN Bank and any other documents; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

17. Discuss and consider a change order to the Aqua Metrics Master Services Agreement. (Scott Albert/Jeremiah Socarras)

Council Member Vela made a motion to table the item; seconded by Council Member Villa. AYE: Ytuarte, Vela, Williams, Huesser, Villa. The motion carried by the following vote: NAY: None. ABSTAIN: None. ABSENT: None.

18. Discuss and consider grave markers/head stones for the new section at the Hondo Cemetery. (Councilman Ytuarte/Councilman Villa)

Mayor McAnelly stated he requested staff to provide the existing regulation from 2017 when the new section of the cemetery was put in. Council Member Ytuarte stated he felt himself and not anyone on the dais was in a position to tell the citizens of Hondo what they can and cannot buy for their loved ones buried at the cemetery. Mayor McAnelly stated you have to abide by the rules of the cemetery and when the new section was established, there were rules that only flush markers were permitted in that section. Discussion ensued regarding use of different parts of the cemetery and the availability. Director of Parks and Recreation Lora Robbins stated there needed to be a lot of research to figure out the rationale behind the regulations and why the changes were made. Council Member Villa stated there did need to be more research on the rules as he also did not feel Council should be able to determine what type of headstones to use. Council suggested Ms. Robbins get input from the cemetery board and brief council at a later meeting.

Councilman Vela made a motion to reconsider item Number 13 on the agenda; seconded by Councilman Williams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser. NAY: Villa. ABSTAIN: None. ABSENT: None.

Council Member Vela stated he wanted to amend the motion to change the paint of the building exterior to match the exterior stated he would like to make an amendment to

the item suggesting changing the painting of the exterior match or resemble the existing building that were occupied there currently. Council Member Vela stated he did not see a problem with the signage but for common courtesy of other business in the area and the aesthetics of downtown, he would like to propose Council make the amendment to change the paint color. Council Member Huesser stated he did not have an issue with the business itself but did feel the color should be uniform since it was the face of Hondo. Discussion ensued regarding the Council's authority to request the tenant to change the paint color of the building and the UDC. Director of Parks and Recreation Lora Robbins stated Council could always make a recommendation.

Council Member Vela made a motion to grant the specific use permit with the condition as per section 3.12 of the UDC that the façade be returned to a like or similar color based on the condition that it is either offensive or undesirable; seconded by Councilman Williams. AYE: Vela, Williams, Huesser. NAY: Ytuarte, Villa. ABSTAIN: None. ABSENT: None.

The City Council of the City of Hondo convened into executive session at 7:23 p.m.

19. Executive Session: The City Council of the City of Hondo may convene in Executive Session in accordance with the Texas Open Meetings Act, Texas Government Code:

Section 551.071(1) (A) and (2) (Consultations with Attorney) and Section 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters), Section 551.076 (Deliberations about Security Devices), or Section 551.087 (Deliberations Regarding Economic Development Negotiations); Section 551.086 (Meeting concerning municipally owned utility-competitive matters);

- a. Discussion regarding CPS proposal for purchasing power. (Scott Albert & Steve Moffitt)
- b. Discussion regarding a forensic audit concerning the various employees who received pay adjustments and title changes during the tenure of Interim City Manager Brian Valenzuela. (Scott Albert, Alan Nelson, & Victoria Thomas)
- c. Discussion regarding investigation of actions HPD personnel related to the investigation of former HPD employee R. Rodriguez. (Victoria Thomas)
- d. Discussion regarding actions of City Manager and HR Director in hiring/promotion process and procedures with city employees. (Councilmen Vela, Villa, Ytuarte and Huesser)

The City Council of the City of Hondo reconvened into regular session at 8:00 p.m.

20. Discuss and consider appropriate action on items resulting from Executive Session.

Council Member Vela made a motion to accept the CPS proposal for purchasing power; seconded by Council Member Williams. AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

Council Member Ytuarte made a motion to accept the proposal from Alan Nelson with Witham & Smith for the forensic audit not to exceed the amount of \$65,000.00; seconded by Council Member Huesser. AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

21. Adjourn.

Council Member Villa made a motion to adjourn; seconded by Council Member Williams. The motion carried by the following vote: AYE: Ytuarte, Vela, Williams, Huesser, Villa. NAY: None. ABSTAIN: None. ABSENT: None.

PASSED AND APPROVED THIS 28th DAY OF NOVEMBER 2022.


JOHN McANELLY, JR., MAYOR

ATTEST:


SueAnn Reyes, TRMC
City Secretary



