

**City of Alpine
Regular City Council Meeting
Tuesday, April 7th, 2015
5:30 P.M.
Minutes**

1. **Call to Order, Invocation and Pledge of allegiance to the flag** – Mayor Rangra called the meeting to order. Oscar Cobos gave the invocation and Mayor Rangra led the Pledge of Allegiance to the flags.
2. **Determination of a quorum and proof of notice of the meeting** – Mayor Rangra, Councilors Bermudez, Salas, Fitzgerald, Gonzales and Stephens were present. The meeting notice had been posted at 5:00 P.M. on April 2nd, 2015. Mick McKamie, City Attorney, was present remotely for the meeting. City Manager Zimmer and City Secretary Taylor were also present. Mayor Rangra said it is always great to have these kids amongst us and to recognize them.
3. **Presentations, recognitions and proclamations** –
 - A. **State Science Fair Recipients, State History Fair Recipients, State Robotics Competition Recipients (A. Rangra, Mayor)** – Mayor Rangra said it is very important to recognize our kids in our community. He and City Manager, Erik Zimmer, presented certificates to State Science Fair, State History Fair and State Robotics Competition award winners and participants.
 - B. **Alpine Safe Digging Month. (A. Rangra, Mayor)** – Mayor Rangra presented a proclamation to Randy Guzman proclaiming April as Alpine 811 Safety month.
 - C. **Proclamation – National Animal Control Officer Appreciation Week. (A. Rangra, Mayor)** – Mayor Rangra presented a proclamation to Jennifer Stewart, Animal Control Officer and proclaimed the week of April 12th through April 18th as Animal Control Officer Appreciation Week.
4. **Reports** –
 - City Mayor's Report** - Mayor Rangra said he had some exciting news that he was going to ask Ray Hendryx to tell us. Ray reported on the baseball score and said our girls were up 13 to nothing.

City Manager Report –

- **Update on Code Enforcement and Permitting Activities in the City of Alpine** – City Manager Zimmer said of course with the rains at the

end of the winter season and at the end of spring, we have much higher weeds. He said for those of you who have driven around town, you have seen the significant growth. He said it has greened everything up but it has also made the weeds kind of high. He said Section 53-204 of our City Ordinance really spells out weed control. He said this is one of the tougher parts of Mr. Polanco's job, the enforcement side of things. He said the Ordinance not only covers not just the high weeds in your yards but also the parkways and this is one of the elements that he thinks a lot of the residents forget. He said they might mow the center of the yard but they forget that they have to cover the parkways up to the side of the street. He said Robert will be out and about over the next several weeks trying to get that remediated. He said junk vehicle notices have steadily been going out. He said these may be vehicles that have not been tagged. He said we currently do not have any court cases pending. He said we are working with Barbara Quirk on our court complaint format to ensure that the cases we are filing work through the system with Bart Medley and Judge Trook. He said we are also seeing quite a rise in illegal dumping. He said we do have our Bulky Trash pickup and Texas Trash Off coming up in the next couple of weeks. He showed pictures of some of the junk vehicles and high weeds. He said concerning building permits, Robert makes sure that the permits are updated on the website. He said that is something that the Planning and Zoning Commission looks at. He said we have seen a steady rise in our plumbing and electrical permits and we are also going to have quite a few homes on construction here in Alpine. He said it is good news for home ownership and construction. He showed a visual on permit history going back to 2001. He said there is a real steady incline on your plumbing and your building permits that really started to drop off in about 2009 to 2010. He said the recession last hit in the late 2007, 2008 time frame. He said typically we are about two years behind that. He said the rise you see in 2013 depicts the building permit side, hail storm and reroofing project. He said if you look back at 2013-2014, you will see that we are starting to climb again and work is definitely trending up here in Alpine. He said to take that as a good sign.

- Update on Alpine Police Department - The City Manager said we are averaging a couple of 911 calls per day. He said a couple of weeks ago we talked about the R U Okay initiative for our residents who need a little extra care. He also mentioned court citations. He said he and Chief Scown had recently talked about speeding in the school zones. He said he had noticed vehicles pulled over in the school zones recently. He said we just want to make sure our kids are safe. He said street closure request have been on the rise recently. He said that tends to impact us more on the Saturday and Sunday

timeframe more. He said the neat thing is we are seeing a lot of fundraisers and a lot of running events. He said a couple of weeks ago we had some awareness messaging sent out for animal control. He said something that many of us have noticed has been trending upward recently. He said that is the amount of loose dogs. He said that we are trying help people understand that from an ordinance perspective, they need to keep their dogs in their yards and if they are out walking, they need to have their dog on a leash. He said it can be quite frightening if an animal approaches you and it is dark outside. He said we are working on the messaging in the community to make sure everyone is aware of that.

- **Update on Tourism, Marketing and Fund Activity for HOT Fund.** – City Manager Zimmer said he is going to fly through these items quite quickly. He said the City Manager report is on the website. He said our Texas Highways editorial coverage equivocates to about \$26,000 in advertising for us. He said the advertising and marketing presence that Stewart and Chris give us really helps to drive visibility for Alpine. He said they also use Facebook and photo events. He said they are preparing an events Rack card this year. He said annually we sponsor our photo contest. He said we are digging deeper into vehicle wraps. He said one of the tough things for Sul Ross in their athletics is they have to drive many miles. He said let's use those as billboards. He said we are working on signage to help direct people to the Big Bend National Park Area. He said we are also working on an online reservation portal. He said there are a couple of hotels out there that have a really nice online presence. He said we also want to help the rest of the hoteliers here with a portal that allows them to maximize their presence online, so that we fill up those hotels when people are coming to town. He said we also developed the “top ten” things to do in Alpine, which was a really successful venture. He said there is a lot of hard work in preparing for the summer. He said the economy continues to grow here in Alpine. He showed a picture of the Rack card.
- **Update on Keep Alpine Beautiful activities, Texas Trash Off, Bulky items disposal and TDS Engagement.** – He said this is a heavy time for our recycle employees. He said Texas Trash Off will be this weekend and we are working with Sul Ross State University to get some of their football players down there to help them roll tires into the tire roll offs. He said we have our bulky trash pickup and people are setting things out this week. He said pickup is next week and we also have Earth Day this month. He said it is a really busy time for Keep Alpine Beautiful. He showed a picture of the electronics recycling event. He said we did a good job in working with the county and some of the school districts around here, helping them to

get rid of some of their equipment. He said the Texas Trash Off is this Saturday and he requested help from anyone who is interested. He said it is a good chance to clean up some of the illegal dumping. He said bulky trash guidelines are on the website.

- Update on County-City joint projects. – He said the County has opted to move forward with the EMC position as county only. He said as he looked through the City and some of our expenses, and where we are at on our financial position, we really have some core items out there that we need to continue to work on. He said with that being said, we had some meetings with the County in relation to what they are doing with the roads. He said prior to the rollback election one of the items that they had looked at was a rock crusher to do some road base production. He said that is currently on hold, though, as we develop our airport project he thinks that is something that we will be able to work with, with the county. He said we are really happy with the progress of the City as a whole.

City Staff Updates – None

5. Citizens Comments (on agenda items) – (limited to 3 minutes) –

Walt Pyle said he wanted to comment on Item 10. He asked the Council not to take action on the updated lease since it had not gone before the Airport Board. He said no one knows what is in it and he would like to be sure to have a chance to comment on the contents of it, especially since we are dealing with TxDot Aviation. He said they are the ones that fund our money.

Manfred Fritsche said he had a comment on item 7A, Accounts Payable. He said he had requested a copy of the legal McKamie billing records for the month of February and he noticed that we paid a total of \$10,488.00. He said in reviewing the billing items, he discovered an item that appeared so obviously to be a double charge. He said there are two items on there. He said he added up the numbers to make sure they were included in the total and they were. He said he was surprised that these two items were apparently not taken note of. He said the other thing he wanted to comment on was item 8E, the audit report. He said the Auditor is here. He said about a year ago, the Auditor assured us that the \$500,000 from a CO in 2011 which had disappeared was not put to nefarious use and that it was probably used to pay legitimate government expenses. He said as far as he knows the issue has never been resolved. He said he took a look at last year's audit report for the audit year 2013. He said he noted on page 32 of the report that the city finished with a cash balance of \$1,106,361.00 and his thinking was the missing money was included in that total. He said they have never heard where it ended up and he is going to be all ears

when he hears the audit report to see if any finality is attached to that particular incident.

Carl Fleming - said he forgot when the bulky trash pickup was and his wife called the city offices to find out when it was and they did not know. He said he was given a phone number but when that number was called, no one answered the phone. He said he was glad he came tonight and he will try to get his stuff out tomorrow. He said should people who are late getting out, call the city, to let them know when the trash pickup is.

Lorena Delaney – said she would like to comment on item 4, Keep Alpine Beautiful. She said she lives on the South Side and there is an Old Town and a New Town. She said there is a citizen who came to New Town and bought properties. She said the properties he bought consisted of three old trailer homes. She said he lives in the better one and the other two are not good or decent to live in. She said he rented them and one of them recently burned down and he now has it up for sale. She said something needs to be done about that. She said she has not seen the owner take any efforts to clean the place up. She said the whole block is just a complete eyesore. She said those homes have been vacated and animals are coming in and out. She said there is also a house on the opposite side that needs to come down. She said Junior High kids have been coming in and out of the house that is vacant. She said something needs to be done. She said the yards have not been worked on either. She said they need the city's help.

Oscar Cobos – said he wanted to touch base on item 10. He said with all respect, and courtesy to the citizens of Alpine, the topic of grant assurances is always there under the FAA and everything else. He said if things are done right. He said he would like to ask that this go to the advisory board once again. He said it is getting to the point that we have to do information requests all the time for everything and people would like to know more about what is going on with everything and not for things to be behind closed doors.

6. **Public Hearings** – None

7. **Consent Agenda – (Minutes, Financial reports, Department written reports, board appointments, etc.)** – (Notice to the Public – The following items are of a routine and administrative nature. The Council has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Council Member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items

will be adopted by one vote.)

A. Approve Accounts Payable. (E. Zimmer, CM)

B. Approve February 17th Council minutes (with footnote) and March 3rd Council minutes. (A. Rangra, Mayor) -

Motion was made by Councilor Fitzgerald by Resolution 2015-04-01 to Accept item 7B to approve the minutes of February 17th, 2015 (with footnote) and March 3rd Council Minutes. Motion was seconded by Councilor Bermudez. Motion unanimously carried. Item 7A was moved down to action items. Motion carried unanimously.

8. Information or Discussion items – (Citizens are allowed to comment – limited to 3 minutes – after being called upon by Mayor.) –

A. Feedback from Ward 5 Town Hall Meeting on March 25, 2015. (R. Stephens) – Councilor Stephens said this was his second semi-annual Town Hall Meeting for Ward 5. He said it was held at Sul Ross University Student Center on March 25, 2015. He said following are the key concerns that were raised by those citizens at the meeting. He said these were 1) Health Services Availability (particularly nursing home) 2) Roads, Condition and Repair Plan 3) Traffic Law Enforcement 4) Ordinance Enforcement (trash around homes) 5) Maintaining Home Rule 6) Economic Development 7) Fire Hydrant Operational Checks and 8) Train silent/Quiet Zone. He said it would be nice if the other Councilmembers would hold town hall meetings.

B. Discussion on City of Alpine Roads – Paving, Rehabilitation and Repairs Update. (E. Zimmer, CM)- City Manager Zimmer said in looking at the City of Alpine Streets, he is looking at what it would take to work through a rehabilitation plan on the streets. He said he thinks the discussion this evening is very timely as we come off of the year end audit. He said we will also kind of set the stage as we start working with the budget. He said we need to take the approach from a data perspective and understand what we have out there from an asset basis. He said he would walk everyone through our detail and research and then open it up for questions. He said the City of Alpine roads have not been properly maintained. He said one of the things he thinks is important to call out is that Hector Ramirez, our Director of Public Works is very interested and very energetic about doing a great job. He said he has always believed that his heart is in the right place. He said beyond that there has to be the resources and support for him to be able to execute. He said the backlog of issues and what we are seeing based on this heavy amount of precipitation from late last year through early this year, is exposing that backlog of issues. He said we are really taking an approach of what the cost is going to look like to bring it back

to the level that it should be. He said it is not a one year fix. He said it will take 5 or 10 years to get our roads back in shape. He said also we are working on a lot of interim actions to fix what we deem to be the biggest issues. He said we have Chris Weber here with us this evening from TxDot. He said he appreciates Chris's support and guidance. He said it is very critical to see how we all work together and come up with solutions and then go out and execute them. He said this will require us to allocate some dollars from our higher performing funds. He said water, sewer and gas are the accounts that do well for our cities. He said they are also effective at tearing up our roads. He said cutting up the streets does not help. He said we have 1,045 equivalent street blocks. He said the average life span of a street block is 28 years, but that is if you seal coat every 7 years. He said we need to repave 37.3 street blocks at full capacity. He said 112 streets need to be seal coated annually at full capacity. He said we did less than 20 blocks last year. He said the rehabilitation cost of the street is close to \$6,000 and that does not include seal coating. He said we are not paving 12 months a year. He said the total amount we budgeted for this year is \$446,550. He said the city has never put money in the budget to replace vehicles. He said for full capacity we would need 5 more full time employees. He said that would cost approximately \$200,000 a year. He said one of the high costs is bringing in road mix. He said a hot box is something we budgeted for this year. He said we are going to have to include a vehicle replacement budget. He said we would like to increase our output by 50% this year. He said we are looking at better solutions for our potholes. He said one of the most important pieces of equipment that we have is our asphalt zipper. Councilor Gonzales said he understood at one time that we were going to try to get together with the county to buy some road materials. He said the amount we buy is not sufficient and sometimes the supplier puts us on the back burner. He asked if we were still trying to do that. The City Manager said the per tonnage price is the critical element there. He said we pay \$19 a ton for the caliche that we brought in. He said Chris got a quote today for \$20 a ton. He said it is nothing for the oil and gas fields to pay \$22 or \$24 per ton if they can get it right then. He said he was talking to Frenchie with the County and the two pieces that are critical are the rock crusher and the belly dump. He said we pay Skelton and Skelton does a lot of hauling as well. Councilor Stephens said looking at the plan, it will take 28 years. He asked how we could catch up. City Manager Zimmer said we are Probably 10 years from breaking even and five years from showing really meaningful work. He said he does not like the idea of bringing in outside vendors to pave. He said his fear is that if we brought people in we would spend double the amount just to get caught up. Councilor Fitzgerald said the City Manager and Councilor Salas and he went to see Senator Hurd to ask him what could be done for Alpine on a Federal level. He said maybe we could get a used hot mix machine or

Some other piece of equipment. He said the Senator and Daniel Mezza are working on that for us. City Manager Zimmer said they were given a \$770,000 Christmas list that the City of Alpine would like to be awarded. Mayor Rangra said he liked the presentation but as a taxpayer he did not like the price tag of 1.1 million dollars. He said that is a good project for the new council. He said he likes the information because it is data driven. He said he wanted to commend the City Manager on the presentation that we just saw. He said he gets calls almost every day from the citizens who say they have too many potholes in front of their houses and what is the city going to do about it. He said now we know what the cost is. Bob Litton said Mr. Zimmer said he has been conferring with Chris Weber who he assumes is with the local highway department and what he was going to mention two months ago might have already been mentioned. He said the highway department said they could not come in and work on Avenue E because the way it was built it was a city street. He said Hwy 90 was built by the State Highway Department. He said the city should talk to the highway department and see if they can fix our streets the same way they do the highways. He said he knows it would be more expensive to do a street the proper and effective way but it will eventually be less expensive than the cheaper way. He said some other cities are grinding up their streets and making the roadways out of gravel. He said some people in town would probably jump in the air over that suggestion but it is something to consider.

- C. Discussion on City of Alpine Buildings – Maintenance and Rehabilitation Update. (E. Zimmer, CM) – City Manager Zimmer said we have started looking at our core building assets. He said this is part of the preparation process for next year's budget. He said there has not been an understanding of the buildings that we own and the maintenance costs and the replacement costs that we should be budgeting annually to keep these buildings healthy. He showed a slide that showed the major building assets owned by the city and it showed the assessed value of the properties. He said this came from last years audit. He said we need to determine how much should be maintenance costs for these buildings and replacement value. He said we should be allocating about \$63,000 a year in maintenance and we should be putting about \$40,000 a year in a fund for replacement value. He said this is going to allow us to create better budget recommendations in the future. He said it has also been brought to light that we need to review the leases that we have on buildings. Councilor Stephens said he appreciated the presentation. Ray Hendryx said he knows everyone has their own pet project but he hopes the city will take a really good look at the Sunshine House. He said it is a very historical building and it was one of the first school houses in Alpine. He said it is used a lot these days and anything the city could do would be appreciated. Mayor

Rangra said he liked the numbers and it tells you a lot. He said he wanted to commend the staff who did the research on this. City Manager Zimmer said he is very fortunate to work with Molly, Megan and Mary Carmen and a whole host of people on staff. He said the finance department really helped him and Mary Carmen put together these stats and Molly is continuous support. He said he tries to thank them as much as possible. Mayor Rangra said he likes to recognize people who have done good work.

- D. Discussion on Shopko Request for City consideration on item – Local Sales Tax rebate program. (E. Zimmer, CM) – City Manager Zimmer said in the packet was a letter formulating a request. He said we have all seen the Alco's close across the area. He said Shopko is a vendor based out of Green Bay, Wisconsin, and they have had an interest in buying up some of the old Alco buildings. He said they have purchased 20 of them. He said the closest one to here would be Monahans. He said they are also in Andrews. He said they are interested in potentially using that facility to expand their retail operation down into Alpine. He said they called him recently and he asked them to put something in writing instead of just discussing it on the phone. He said he wanted something in writing that could be shared with our elected officials. He said they have done that and provided information to the council. He said in a nutshell they are looking at if they can use the local sales tax incentive. He said we can talk about some of the legal requirements about that with Barbara but it looks like for now we have lost contact with Barbara. Councilor Stephens said they are requesting a 50% sales tax rebate for 5 years. He said hopefully the Council will have a chance to review and consider this. He said what will this mean on a financial level and what are the job opportunities with this business. City Manager Zimmer said one of the next steps will be, if the City Council is interested, is for Shopko to put together a financial plan for Alpine. He asked how we would know if they will have longevity or if they will come in and in 12 months be gone. He said on the economic side of it, it certainly would be nice to look at our unemployment numbers here in Alpine. He said also many of our shops in Alpine are hiring. He said he wondered if these businesses thought this would be a threat to their employee base. Councilor Salas asked what our tax rebate was with Alco. City Manager Zimmer said right now we get 2% on the local sales side from all the retailers. He said we do not have specific agreements in place for any sales tax revenue. Councilor Fitzgerald said he agrees with Councilor Stephens. He said we need more information. He said he does think this is a pretty good idea. He said he went to the Shopko website and they sell pretty much the same types of materials that were being sold at Alco. He said we have a vacant building there that is not doing anything. He said if they can generate more sales tax and hire 30 or 40 more people it would be good. He said he would like to see some

facts and figures to back that up. He said there is a lot of stuff that we cannot get here now that we could before. City Manager Zimmer said he would like Barbara to share her knowledge with us concerning this item on the legal side and on what type of agreement we would have if we did a legal sales tax incentive. Councilor Bermudez said the only thing she has is that she does like the idea that the money will be kept locally. She said she thinks that would be a good idea. Councilor Gonzales said he thought it was a good idea and hopefully they would stay here longer than five years. Mayor Rangra said he personally believes that when you do the calculations on the basis of 2%, we are talking about 1%. He said for every million dollar sale we would make \$10,000. He said if it brings in 30 jobs and each employee gets about \$30,000, it will bring an opportunity to Alpine. He said in order for us to do this, the business would have to satisfy certain legal requirements. Manfred Fritsche said he did not know if he was for or against this. He asked what precedent this set for other businesses. Mayor Rangra said the City Sales Tax is about 1.2 million per year. He said if we bring in a new business we will have that much more sales tax for the City of Alpine to fix the streets that we just finished talking about. Councilor Fitzgerald said he believes each one of these cases needs to be on a case by case basis. Mayor Rangra said based on the information the Chamber of Commerce has provided, in the past few years we have lost 92 businesses. He said we need to have more businesses in Alpine. Councilor Fitzgerald said some of the businesses may have left but some have been replaced by other businesses. Councilor Stephens said he does not believe the list prepared by the Chamber of Commerce that states that 92 businesses left this year. He said he believes that is an incorrect statement. Oscar Cobos said he believed the Chamber had an Economic Development meeting not too long ago. City Manager Zimmer said if the city did want to provide a sales tax incentive what are the engines or vehicles available to the City. He said Barbara could explain to us what a 380 agreement looks like. Barbara said a 380 agreement is an economic development vehicle that the city can use. She said a lot of cities that do not have a 4A or 4B Corporation can do this agreement as a way to give incentives to people coming into the city. She said the main thing to this agreement is that you want to have some quid-pro-quo requirements. She said you want to make what you are giving to the person that is coming in an equivalent in some way to what they are promising to you. She said before you even do the 380 agreement you need to make some findings and those findings need to be that the project is going to be a public purpose that is going to advance the economic development of the city and that there is a demonstrable benefit to the city and the third thing is that there are sufficient safeguards in the agreement with the sales tax rebate. She said we would have to include a fall back provision, a provision that allows the city to grab back the monies if the business does not do what they promised the city. She said some of the

things you can ask for is that they will provide a certain number of jobs locally. She said you want to make sure they are not bringing in people from outside the city. She said you could also have an agreement that they increase the tax base by a certain amount and that they contribute in a certain amount of construction costs to increase the value of that real estate or personal property. She said these are just some of the things that the city can do and of course, she would help to advise the city. Councilor Stephens asked Barbara if there were any examples of 380 agreements that she could provide for the council. Barbara said the only one she can think of was for an entity that went belly up.

- E. Final FY 2013-2014 Audit to be discussed by Craig Gibson of Gibson, Ruddock, Patterson, LLC, Audit Firm hired by the City of Alpine. (E. Zimmer, CM) –City Manager Zimmer said Craig and Marlene are here this evening to review the audit. He said the Council had drafts in their packets. He said Craig has provided packets for the Council this evening as well. Craig said there was one small change to the documents that were provided to the Council. She said it was on page 20. He said you would refer to it as the income statement. He said the section in the middle of the page, the expenditures section, on the draft, on the last line was Capital Outlay to be consistent with prior years. He said they determined that they needed to be allocated to the department that had incurred the Capital Outlay, so you will notice on the bound copy there is no Capital Outlay. He said it has been moved into the other departments. Mr. Gibson had a graph presentation for the Council concerning governmental revenue, General Fund Expenditures, General Funds Equity, water, sewer and sanitation fund, and gas utility fund. Mr. Gibson said they are very pleased with the trend that they are seeing. He said he had to commend City Council. He said in the back of the bound document, starting on page 67, they have four findings this year and they all relate to the accounting and somewhat in part to the implementation of the new software that was brought on line last year. He said part of it has to do with rolling forward the end of the year balances and close out of the year and also the reconciling of balances on a monthly basis and the due to/from activity between the funds. He said as we were talking about the transfers and how that was basically eliminated last year, there is always going to be some inter fund activity. He said the reason is that some things are going to be paid by one fund and the other fund has to reimburse. He said that is the way the accounting has to flow. He said the key is to make sure that both sides of that transaction got recorded. He said the only way you can do that is to reconcile those due to and due from accounts every month. He said the separate letter that is also in your stack is what we refer to as our Management letter and this is where we make suggestions for improvements to processes to either make them more effective, or to improve the internal control. He said they have a number of new

comments and they are very straight forward and management has provided a response to tell you what they are doing to address those and we also have a section in the very back that gives you the status of the comments. He said in summary they would like to say that they are very pleased with the trend that they are seeing here. He said not just financially but from a management point. He said they came in for the first time last year and Council knows very well that it was just turmoil. He said trying to get a handle on things was very difficult. He said they saw significant improvement although everything is not cleared up at this point. He said there were so many problems and issues that needed to be addressed. He said you can only do so much and take care of day to day business. He said they are very pleased with the progress that they have seen. He said it is not going to get cleaned up overnight and they still expect that next year for there to be some issues as well. He said they expect significant improvement next year as well Mayor Rangra asked what unmodified audit report meant. Mr. Gibson said the unmodified audit report...there are basically two types of opinions, the unmodified means that they are not making any reservation that we are giving an opinion and we believe that the financial statements are a fair presentation. He said if it was modified we would have what we refer to as a "subject to" where we would say we think everything looks okay, except for this section. He said unmodified is the best. Mayor Rangra asked if this was what was used to be called unqualified. Mr. Gibson said "yes, exactly". Mayor Rangra thanked Mr. Gibson and also thanked the staff for the wonderful job that they did. Councilor Fitzgerald said he felt all credit was due to the City Manager and the staff that he has hired. He said there is no such thing as an audit that has zero audit points. He said having four audit points as opposed to prior years is a huge improvement. He gave his compliments to the City Manager and the staff. Councilor Bermudez said she wanted to also thank all of the staff for the decreased in the budget. Joseph Goldman said in the audit of the gas company for revenue and expenses did Mr. Gibson also include the depreciable property that is in the gas department and if there was there a time depreciation with that. Mr. Gibson said he is asking if the capital assets were included in the audit and if the depreciable assets were included. He said he realizes the audience does not have a copy of this. He said the audit is not public record until it is approved by the City Council. Mr. Gibson said the capital assets are included on page 22 of the audit. He said we are also recommending that the management take an annual inventory of the capital assets and supplies as well. Manfred Fritsche said he came into City Hall last Thursday and asked for a copy of the audit report. He said he was told that the audit was a draft document until the Council approves it. He said what he heard in the audit report is a very general comment as to the financial health of the city. He said Councilmembers themselves have had the audit report over the weekend at least and he has heard a grand total of three

questions from the Councilmembers. He said this is no way to educate the public as to the overall health and financial condition of the City. He said he did not know if the "vanishing funds" for the Quiet Zone and Belt Press were addressed but his observation would be that as far as the public is concerned, we are not getting an adequate report.

- F. Discuss Ordinance 2010-06-04 and Resolution 2014-10-08 and their relation to the Board and Commissions and City Council. (J. Gonzales) – Councilor Gonzales asked Barbara if she had a chance to look at this. Barbara said she had reviewed them. Councilor Gonzales said his understanding was that the Council tells the boards what they want them to investigate and have them report back to the Council. Barbara said yes, the Advisory Boards or Commissions only advise the City Council and they do not take action on their own. Councilor Gonzales asked if Planning and Zoning was one of these committees. Barbara said Planning and Zoning has a special role in some cases established by the Local Government Code. Councilor Gonzales said we are a home Rule City and we have a charter and we go by that. He asked if Barbara would tell him the difference between a Resolution and an Ordinance. Barbara said she was not sure the two were in conflict. Councilor Gonzales said he did not ask about conflict but wanted to know if one had more power than the other. Barbara said the Ordinance would normally have more priority than a Resolution. Councilor Gonzales said the Planning and Zoning Commission by Resolution has been told to update the zoning ordinances. He said the City Council can no longer do variances and neither can Planning and Zoning. Barbara said that was correct. She said they can be given direction to amend the ordinances. She said they have to follow state law and they have to have hearings as well. Councilor Gonzales said he thought there was some confusion as to what they have been doing. Councilor Stephens said he did not believe we had given direction to any other board in the same manner.

Action Items to be accompanied by a brief statement of facts, including where funds are coming from, if applicable. (Action items limited to (up to) 10 per meeting.) (Citizens are allowed to comment—limited to 3 minutes – after being called upon by Mayor)

- 7A. Approve Accounts Payable – Councilor Bermudez said concerning Mr. Fritsche's comment about a double billing item with the McKamie firm, she also saw that, herself, and she did send an email to the City Secretary, asking if this was a double billing. She said she was told that at one meeting when City Attorney McKamie was present at the Council meeting, Councilor Salas was not here due to Jury duty and all of the Council members decided to wait on an Executive Session item until all members could be present. She said they asked Mr. McKamie to come back to the

next meeting. She said that was not a double billing but it looked like a double billing. Motion was made by Councilor Bermudez, by Resolution 2015-04-04, to approve Accounts Payable. Motion was seconded by Councilor Salas. Motion unanimously carried.

9. Discuss and Consider Resolution accepting 2013-2014 FY Audit as prepared by Gibson, Ruddock, Patterson, LLC. (E. Zimmer, CM) – Motion was made by Councilor Fitzgerald, by Resolution 2015-04-02, to accept the 2013-2014 FY Audit as prepared by Gibson, Ruddock, Patterson, LLC. Motion was seconded by Councilor Gonzales. Motion unanimously carried. Dale Christopherson said he thought this was a very good progress and that we are headed in the right direction.

10. Discuss and Consider approval of Resolution for new updated Lease for Airport Hangar ground space rentals at Alpine Casparis Municipal Airport. (E. Zimmer, CM) - Motion was made by Councilor Bermudez, by Resolution 2015-04-03 to approve the new updated Lease for the Airport Hangar ground Space rentals at the Alpine Casparis Municipal Airport. Motion was seconded by Councilor Fitzgerald. City Manager Zimmer said this lease had been reviewed and there had also been some alterations made by Adolfo Ruiz with the McKamie firm. He said there also had been discussion with TxDot Aviation. He said he is very confident that we now have a good lease solution. He said since the Airport Advisory Board does not administrate over the leases, they were not involved in the final draft of the lease, upon the advice of the City Attorney. He said we feel comfortable with this lease. He said we have at least 4 individuals waiting to sign a lease. Councilor Bermudez asked if we needed to bring the lease before the Airport Advisory Board and the City Manager said we did not. Councilor Salas asked if the City had asked the Airport Advisory Board for recommendations or take advantage of their knowledge. City Manager Zimmer said one of the reservations he had was when we went out to RFP for the FBO and consulted with the Airport Advisory Board. He said they approved it without reading it. He said since this was a legal document we felt like we needed to stick to the advice of our attorneys. Mayor Rangra asked Barbara if it was okay for the Council to approve this agreement without the okay from the Airport Advisory Board. Barbara said yes it was. Manfred Fritsche asked about the financial implications of the lease. City Manager Zimmer said it does not have a financial impact on any of the past leases. He said where the positive impact occurs is for the leases in the future. City Manager Zimmer talked about the language in the old lease and new lease. Walt Pyle said he did not know what was in the new lease and neither did the Airport Board. Oscar Cobos said we have had problems with leases before and now we bypass the board again. City Manager Zimmer said he was tired of Mr. Pyle and Mr. Cobos' personal attacks. He said he has asked them to write out their complaints and give those to him and they have refused to do that. He said he has gone out of his way to be open about everything. He said we

have communicated with Bill Gunn's office. He said this is the kind of disrespect that is unappreciated and makes the job of city staff much tougher. Kevin O'Cuilinn said he had two questions. He asked who drafted the new lease agreement. The City Manager said Adolfo Ruiz with the City Attorney's Office.

11. Discuss and Consider approving Order cancelling the Municipal Election on May 9, 2015 for unopposed candidate (Ward 5, City Council, Rick Stephens) (E. Zimmer, CM) - City Manager Zimmer said Mr. Stephens was unopposed in Ward 5. Mayor Rangra said this was a routine matter. He said if there is no opposition, there is no need and it saves expenses. Motion was made by Councilor Fitzgerald, by Resolution 2015-04-05, to approve the Order cancelling the Municipal Election on May 9, 2015 for unopposed candidate (Ward 5, City Council, Rick Stephens). Motion was seconded by Councilor Salas. Motion unanimously carried.

12. Council Members Comments –

Councilor Bermudez – said the staff did a great job and knew where to cut on the budget.

Councilor Salas - said she agrees with Councilor Bermudez concerning the budget and thanked the City Manager for his hard work and for the work of the staff. She said she was glad we recognized the students because you do not usually see recognition for academics. She said they are our future.

Councilor Fitzgerald – said the auditors did a good job and the City Manager and staff need to be complimented. He said we went from many audit points in the past to four. He said that is amazing work. He said he also wanted to recognize the kids.

Councilor Gonzales – said he would like to thank the City staff for their work on the finances. He said he is glad to hear that we have a great audit and we are not in trouble anymore. He said thank you to everyone for coming.

Councilor Stephens – said he cannot add anymore to the rest of the great comments. He said he thought we had an excellent meeting.

Mayor Rangra – said it is good to have Councilmembers who read and understand things, for example the audit.

13. Executive Session –

14. Action – After Executive Session –

15. Adjournment – There being no further business, meeting was adjourned.

NOTICE: The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.086 (economic development).

I certify that this notice was posted at 3:00 P.M. on April 2nd, 2015, pursuant to Texas Open Meetings Act. (Texas Vernon's Annotated Civil statutes, section 551.043 Texas Government Code.) This facility is wheelchair accessible and accessible parking space is available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the city secretary's office at (432) 837-3301 or fax (432) 837-2044 for further information.

Dr. Avinash Rangra, Mayor

Attest:

Margaret "Molly" Taylor, City Secretary

I, Margaret "Molly" Taylor, City Secretary, do certify that this notice was posted at 3:00 P.M. on April 2nd, 2015, and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Margaret "Molly" Taylor, City Secretary