

CITY OF SMITHVILLE

APRIL 8, 2019

COUNCIL MEETING

Present: Mayor Scott Saunders Jr., Councilmembers, Bill Gordon, Joanna Morgan, Bennie Rooks, Rhonda Janak, Cassie Barrientos, City Manager Robert Tamble..

Open Meeting: Call to order: Mayor Saunders called the meeting to order at 6:00 p.m.

Invocation: City Manager Robert Tamble gave the invocation.

Pledge of Allegiance: Councilwoman Morgan led the pledge.

Recognition/Awards/Proclamations/Announcements/Presentations: 3rd grader Hale'iwa Gayler (Holly) read her essay on "Self-Discipline". Mayor Saunders presented a proclamation for "Natl. Public Safety Telecommunications Week". Mayor Saunders presented a proclamation for the "Celebration of Ruth Sawyer Burns 97th Birthday". Mayor Saunders accepted an award from "It's Time Texas Community Challenge".

Approval of the minutes from the March 11, 2019 Council Meeting and Public Hearing and the March 28, 2019 Special Called Meeting and Workshop: Councilman Gordon moved to approve of the minutes with one correction in the special called meeting minutes. Councilwoman Morgan seconded and the motion passed unanimously.

Discussion and Action on the Annual Audit for the 2017-2018 Fiscal Year Budget: Singleton, Clark & Company, PC completed the annual audit of the City of Smithville's 2017-18 financial statements. The results of the audit indicate the assets of the City exceeded its liabilities at the close of the fiscal year by \$ 12,542,152. The total net position of the city increased by \$ 1,134,491. The City's governmental fund reported a combined fund balance of 1,524,086, an increase of \$133,402 in comparison with the prior year. The City's proprietary fund reported a fund balance of \$5,231,360, a decrease of \$44,622 from the prior year. Combined fund balance of reported fund balance of \$5,327,584, a decrease of \$253,478 from the prior year. The audit identified one finding for minor budget overages that were inadvertently omitted in the amended budget. Councilwoman Morgan made a motion to approve the Annual Audit. Councilwoman Janak seconded and the motion passed unanimously.

Discussion and Action on a Resolution Responding to the Application of CenterPoint Energy Resources Corp., South Texas Division, to Increase Rates Under the Gas Reliability Infrastructure Program; Suspending the Effective Date of this Rate Application for Forty-Five Days: CenterPoint Energy is asking the Texas Railroad Commission for a Gas Reliability Infrastructure Program (GRIP) Interim Rate Adjustment (IRA) to their base rate(s). Under Texas law (re: Gas Utilities Regulatory Act), we do not have the ability to oppose the rate increase. However, we can postpone the effective date of the proposed increase for 45-days. The rate will be increased by \$2.04/month for residential service and \$4.16/month for small commercial service. The adjusted monthly charge (base rate) will be \$21.04 and \$29.16 respectively. This represents an average increase of 11-17%. The rate increase will help recover \$37.3M of incremental spending for capital infrastructure improvements in its South Texas Division between October 1, 2017 and December 31, 2018. The proposed IRA will become effective on May 27, 2019 unless the City chooses to suspend the IRA effective date until July 11, 2019. Councilwoman Janak made a motion to approve the resolution and suspend the effective date for 45 days. Councilwoman Barrientos seconded and the motion passed unanimously.

Discussion and Action on a Resolution for Funding from the State of Texas, the Department of Transportation, for the Smithville Crawford Municipal Airport: The City of Smithville is interested in utilizing Non-Primary Entitlement (NPE) funds for the purchase of ten (10) 30'x40' aircraft hangars at the Smithville Crawford Municipal Airport. The owner(s) of the ten hangars currently have ground lease(s) with the City of Smithville that will expire in 2037. The use of NPE funding for the purpose of purchasing revenue-producing facilities will eliminate the Smithville Crawford Municipal Airport for state apportionment or discretionary funding consideration for the three (3) years. An appraisal of the hangars is required to determine Fair Market Value (FMV). The estimated cost is between \$40-50k per hangar. Once FMV is determined, the City will be in a better position to negotiate a purchase price with the owner(s). If an agreed purchase price is identified, the City would like to proceed with the purchase of the hangars and file the necessary paperwork required by TXDOT for

reimbursement on a 90/10 cost basis with the understanding that the City will be responsible for 10% of the total cost. Approving this resolution will allow the City Manager to execute all contracts and agreements with the Texas Department of Transportation for the purchase of the 10 hangars at the Smithville-Crawford Municipal Airport. The \$50k match will be covered salary savings from attrition, film permit fees, RAMP grant funding, and reserves from our general fund. Councilwoman Barrientos made a motion to approve the resolution. Councilman Gordon seconded and the motion passed unanimously.

Discussion and Action on an Ordinance Establishing a Minimum Size for Single Family Dwellings; Repealing Conflicting Ordinances; Providing a Severability Clause; and Providing an Effective Date: Councilman Gordon made a motion to approve the ordinance. Councilwoman Morgan seconded and the motion passed unanimously.

Discussion and Action on an Ordinance amending Article 12.800 of the Code of Ordinances pertaining to Recreational Vehicles, Trailers, and Commercial Vehicles Parked or Stored on Right-of-Ways; Repealing Conflicting Ordinances; Providing a Severability Clause; and Providing an Effective Date: Councilwoman Morgan made a motion to approve the ordinance with the amendment to the time limit to allow 24 hours instead of five minutes. Councilwoman Barrientos seconded and the motion passed unanimously.

Discussion and Action on the Financial Report: Councilwoman Janak made a motion to approve the Financial Report. Councilman Gordon seconded and the motion passed unanimously.

Adjourn: at 7:00 p.m.

Scott Saunders Jr., Mayor

Attest:

Jennifer Lynch, Asst. City Secretary