

City of Natalia, Texas
Regular City Council Meeting
April 17, 2017 at 7:00 pm
Minutes

Roll Call: Alderman (Mayor Pro-Tem) Sam Smith – Present
Alderman Mike Fernandez – Present Alderman Tommy Ortiz - Present
Alderman Sam Bluemel – Present Alderman Ruben Juarez – Absent
Mayor – Position Vacant

Call to Order:

- 1) Mayor Pro-Tem Sam Smith called the regular city council meeting to order at 7:00 pm.

Citizens to be Heard:

- 2) None.

City Council Comments:

- 3) None.

Presentations:

- 4) NMDD Chair, Ruby Vera, updated Council on activities occurring with the NMDD; their leased office space now has signage posted, renovations are complete, and operations from that office are functioning. The NMDD has secured a \$200k bond from BB&T to purchase the Old Palm Courts property; owned by Darin Frazier, located at 2079 SH 132 N. The Bond (Series-2017) is scheduled to close on April 27th; for a 10-year amortization schedule of \$34,707 due annually. The NMDD will be transferring \$3k each month into a reserve account to accumulate for other activities as well as to use towards paying down the debt. The NMDD will also be applying for Community Grant Funds through Texas Department of Agriculture for the construction of the city's first community center to be located on the property in purchase, working with Ms. Hernandez and the City for the filing process of the application; and will also be working jointly with Ms. Hernandez and the City on the Economic Development & Capital Improvements for the update of City's Master Plan. Additionally, the NMDD will be hearing a presentation from UTSA on affordable housing, economic and community development activities in rural areas, and invites members of the city council to attend.

Consent Agenda:

- 5) a. Approval of Minutes: March 20, 2017 Regular Meeting
b. Approval of Financial Activity Report: March 2017
c. Approval of Police Department Activity Report: March 2017
d. Approval of Municipal Court Activity Report: March 2017
e. Approval of Code Compliance Activity Report: March 2017
f. Approval of Utility Department Activity Report: March 2017
Action: Alderman Fernandez made the motion approving the consent agenda, and Alderman Bluemel seconded the motion. Vote: 4-0; Motion carried unanimously.

Discussion/Consideration of Action Items:

- 6) **Discussion/Consider engaging into an Interlocal Agreement with Medina County Tax Assessor-Collector for tax collection services, to include legal counsel for collection of delinquent property taxes.** Discussion: Mr. Matthew Tepper, Attorney with McCreary, Veselka, Bragg & Allen, P.C. (MVBA), was appointed to represent Medina County for delinquent tax collection services. Medina County Commissioners Court entered into an agreement with MVBA in March 2017, in which the firm's services will commence on May 1, 2017; MVBA will replace Law Office of Henry Gates Steen. Medina County Tax Assessor-Collector proposes that all entities being provided services through Medina County Tax Office to utilize the same law firm to lessen citizen and staff confusion, the interlocal agreement will secure and formalize the arrangements with conducting tax collection business with Medina County Tax Office and MVBA. MVBA

will work with City Administrator Hernandez on processing suits for several delinquent accounts, additionally performing periodic reviews of property taxpayer information. Ms. Hernandez mentioned that she requested Mrs. Melissa Lutz to change the date of the tax rate adoption deadline to September 30th rather than the 15th, as city council usually meets to adopt tax rates at a regular meeting; Mrs. Lutz agreed, and will be updating the agreement to reflect that.

Action: Alderman Bluemel made a motion approving to engage into an interlocal agreement with Medina County Tax Assessor-Collector with an amendment to the tax rate adoption deadline date to be changed from September 15th to the 30th; Alderman Fernandez seconded the motion. Vote: 4-0; Motion carried unanimously.

7) **Discuss/Consider Professional Services Agreement with United Systems Technology Inc. (USTI) for service and deliverables of Asyst Financial Module for the installation and training for City of Natalia, for an amount not to exceed \$12,115.00.**

Discussion: City Administrator Hernandez explained that the City of Natalia currently uses Sage Peachtree for recording the accounting and financial data collected within all departments of the City; however, the system is not meant for governmental accounting, but rather small business financials. The City is currently using USTI Asyst modules for Municipal Court and Utility Billing; but with having a difference system for financials it does not allow for integration or automatic download of data into Peachtree. This makes it quite difficult for recording transactions separately and specifically into the general fund, utility fund, reserves funds and restricted funds. The cost to purchase the licenses for USTI Asyst Financial Module for the 1st year is \$12,115, which includes a one-installation and training cost of \$10,670 and the annual license fee of \$1,445; thereafter, the city will only pay for the cost of the annual licenses for each module and registered user. Alderman Fernandez stated that it makes sense to get a program that the city is already using for utilities and court. Alderman Bluemel stated that with the reduction in staff time to process and input data this will allow for staff to do other duties more effectively. Hernandez explained that there will be no impact to the operational budgets as the expense is proposed to be split-funded through UT Capital Reserves, General Fund Reserves, and Municipal Court Technology Reserve funds.

Action: Alderman Fernandez made a motion to approve the purchase; and Alderman Ortiz seconded the motion. Vote: 4-0; Motion carried unanimously.

8) **Discuss/Consider adoption of Proclamation; proclaiming April as Fair Housing Month for the City of Natalia, Texas.**

Action: Alderman Bluemel made a motion approving the Proclamation; and Alderman Fernandez seconded the motion. Vote: 4-0; Motion carried unanimously.

9) **Discussion/Consider submitting letters to the city's governing representative offices opposing the elimination of the Community Development Block Grant Programs.**

Discussion: City Administrator Hernandez informed Council of the possible funding cuts to be imposed of TDA Programs such as the Community Development Block Grants. The City relies on state funding to support the cost of making infrastructure improvements, and having funding eliminated will hurt many small cities from affording these costs. City Council understands the importance of such funding, and accepted the need to submit a letter of opposition. Ms. Hernandez provided a letter to be signed by each member to be sent out to US House Representative Will Hurd, US Senate John Cornyn, US Senate Ted Cruz, and State Governor Greg Abbott.

Action: Alderman Fernandez made a motion agreeing to submit letters to state governing representative offices; and Alderman Bluemel seconded the motion. Vote: 4-0; Motion carried unanimously.

Staff Reports:

10) **City Administrator's Reports:**

- i. Sales & Use Tax for Firework Sales: According the Texas Comptroller, firework sellers must retain a sales tax permit, collect and report all applicable state and local sales and use taxes of firework sales. Firework licenses are required by the Texas Department of Insurance, and only if the County Commissioner's Court approves for the sale of fireworks within the county. In Texas, fireworks may only be sold between June 24 – July 4, and December 20 – January 1.
- ii. City Administrator Hernandez information Council of Municipal Court Prosecutor Dominic J. Negrón engagement with Inez Productions to film a pilot of his, and his wife's, everyday activities for a potential reality television show which will include following him around City Hall. Mr. Negrón has asked Judge Loza for permission to film in his courtroom while doing business;

however, Judge Loza explained that he'd have to get clarification from the judicial ethics commission first. Hernandez explained that Judge Loza would ultimately have the decision of what he'd allow or won't allow, if any, during court; Hernandez also explained that every individual including employees and council would have to sign a waiver prior to being filmed; such unauthorized filming will not be permitted.

- 11) **Adjournment.** Alderman Fernandez motioned to adjourn the meeting at 7:25pm, and Alderman Ortiz seconded the motion. Motion carried unanimously.

Passed and Approved this 15th day of May, 2017.

Approval:

Attest:

Sam Smith, Mayor Pro-Tem

Lisa S. Hernandez,
City Administrator/Secretary