

MINUTES
REGULAR MEETING OF THE CITY COUNCIL
CITY OF LIVE OAK
WILL BE HELD AT THE LIVE OAK COUNCIL CHAMBERS
8001 SHIN OAK DRIVE
TUESDAY, MAY 8, 2018 AT 7:00 P.M.

1. CALL TO ORDER

Mayor Mary M. Dennis called the regular May 8, 2018 scheduled City Council Meeting to order at 7:00 p.m.

2. INVOCATION/PLEDGE OF ALLEGIANCE

Completed

3. ROLL CALL

Mayor Mary M. Dennis
Councilman Mendell D. Morgan Jr., Place 1
Councilman Bob Tullgren, Place 2 (Excused Absence)
Councilman/Mayor Pro-Tem Anthony Brooks, Place 3 (Excused Absence)
Councilman Ed Cimics, Place 4
Councilman Aaron Dahl, Place 5

4. CITIZENS TO BE HEARD

None

5. CONSENT AGENDA

A. Approval of Minutes

1. April 24, 2018

B. City Council to accept and approve the Quarterly Code Enforcement Report – Ms. Matney

C. City Council to approve a Resolution endorsing participation with Bexar County, Texas whereby the latter shall be authorized to include the City's population in order to qualify for a formula share of Entitlement Program Funds through the Department of Housing (HUD) and Urban Development Community Block Grant (CDBG) Program - Ms. Matney

Councilman Dahl made a motion to approve the Consent Agenda; seconded by Councilman Cimics

Vote FOR: Councilmembers Dahl, Cimics and Morgan – passed 3/0

6. SPECIAL CONSIDERATION

- A. Proclamation for National Police Week, May 13th through May 18th, 2018 – Chief Hopper

Councilman Morgan read the Proclamation and Chief Hopper and Mayor Dennis present it to the Live Oak Police officers present and to the Live Oak Police Department;

- B. Proclamation for National EMS Week, May 20th through May 26th, 2018 – Chief Surber

Councilman Cimics read the Proclamation and Mayor Dennis presented it to Chief Surber and EMS Director Jason Mabbit, Schertz, TX. Chief Surber sited the National EMS theme EMS STRONG is "Stronger Together". Director Mabbit sited all the accomplishments and hard work that is being recognize through National EMS Week and commended the Live Oak Fire Department.

Ed Cimics spoke about the Schertz EMS File of Life (magnetic strip) for refrigerator this lists medications for residents for the emergency team; this is an important issue.

- C. Proclamation for National Public Works Week, May 20th through May 26th, 2018- Mr. Wagster

Councilman Dahl read the Proclamation and Mayor Dennis presented it to Mr. Wagster and thanked him for his hard work. Mr. Wagster, in turned thanked his department for their hard work. The 2018 theme for National Public Works is, "The Power of Public Works."

- D. Proclamation for National Nurses Week, May 6th through May 12th, 2018 – Mayor Dennis and Erin Perez, APRN, ANP-C, AGNP-C, BHS & COMPASSUS Palliative Services

Mayor Dennis read the Proclamation for National Nurse Week, however, Ms. Perez was unable to attend. City Secretary was asked to mail it to the organization.

7. NEW BUSINESS

- A. Presentation of Certificates of Election to unopposed candidates for Mayor Mary M. Dennis, Councilman, Place 2 Robert "Bob" Tullgren and Councilman, Place 4 Ed Cimics – Ms. Goza

A Certificate of Election is a formal document that grants the holder the rights and privileges of holding elected office. Ms. Goza presented the Certificates of Election to Mayor Dennis and Councilman, Place 4 Cimics per Texas Election Code. § 67.004(a), Canvassing the Election (Unopposed candidates). As Councilman Tullgren was out of State his Certificate will be mailed to him.

Mayor Dennis received a census to move item 7F before further discussion of 7B. The Minutes will reflect how the Agenda was posted.

be targeted at around the 50% of budget. Other items discussed: General Fund (overall revenues are at 63%); overall expenditures on target at 46% of budget; Capital Project Funds for the City are Woodcrest Park Fund, Capital Project Fund, 2005 (Woodcrest Park Fund is \$17,651); 2005 Bond Fund has a fund balance of \$220 (completed and staff is working to close this fund); 2014 GO Bond Fund has a fund balance of \$265,929 (This Fund is where all financial transactions for the 2014 bond projects get recorded); The Utility operating fund is on target on revenue collections (49%) and expenditures (48%); The Storm Water Utility fund at 32%.

Councilman Cimics asked about Woodcrest fund balance and requested a memo regarding this item. Mr. Kowalik indicated that they are working at closing it out and would get a memo out.

Councilman Cimics asked about the three (3) fund projects and Mr. Kowalik listed them as Woodcrest Fund, Capital Improvement Fund and Bond Fund.

Councilman Cimics asked about the Bond Fund for the Fire Department closing out and Mr. Kowalik indicated that it would be paid out in 2022.

Councilman Cimics made a motion to approve to approve the Quarterly Financial Report ending March 31, 2018; seconded by Councilman Dahl

Vote FOR: Councilmembers Dahl, Cimics and Morgan – passed 3/0

C. Presentation, discussion, and possible action regarding the 2018/19 budget and process – Mr. Kowalik

Mr. Kowalik came before City Council to speak about the 2018/2019 budget and the process that will be followed:

Budget capacity: The amount of revenues that is necessary to fund the various functions and services of the City. During the last several years, the City has been budgeting capital requests, one-time expenditures and emergency contingencies out of anticipated uncommitted fund balance (reserves). The City began the process of reversing this trend and started funding some of these costs from recurring revenues in the previous and current year. The City is in a position to continue to utilize its reserves to fund capital requests, one-time costs and contingencies as a means to managing its reserves (the audit revealed that the City is at 10.94 months in reserves). **Economic Status:** Sales tax is still, and will probably always be, the number one revenue source in the General Fund which supports the vast majority of the City's core functions. That's great news with the long anticipated IKEA set to open its doors in March-April 2019 time frame. I will have approximately 6 months of anticipated revenue in the proposed budget for the new IKEA. We will always continue to monitor the City's sales tax since it is the number one revenue stream. **Functions:** Staff is moving ahead with their budget requests for the core functions and services that their departments oversee. **Anticipation:** It is anticipated that the 2018/19 budget will look very similar to the current 2017/18 budget with a few exceptions. The City will definitely be in a growth pattern the next several years because of the Live Oak Town Center development. Discussions started already last year about increasing staff to properly support the new development. We are proposing some staff increases on the public safety side since they will be the first affected by the growth. **Personnel Costs:** Staff's mid-year benefit strategy meeting with IPS Advisors

similar to the current 2017/18 budget with a few exceptions. The City will definitely be in a growth pattern the next several years because of the Live Oak Town Center development. Discussions started already last year about increasing staff to properly support the new development. We are proposing some staff increases on the public safety side since they will be the first affected by the growth. **Personnel Costs:** Staff's mid-year benefit strategy meeting with IPS Advisors took place. They are hopeful to bring that down in negotiations and the best estimate would be an increase in cost to our overall benefit package. **City Obligations:** The City staff understands and is getting prepared for what they will be up against with the onset of the Live Oak Town Center development. This budget will begin that transition from a slow-growth mentality to a moderate to high growth change. The budget cycles of the past several years has put the City in a very positive position to take this next positive challenge head-on.

D. Discussion and possible action regarding disposal of fixed assets with an initial net worth of \$5,000 and over- Mr. Kowalik

Mr. Kowalik came before City Council and indicated that there is no specific statutory requirement that governs the process for disposing of the City's personal property, it is good policy to bring before Council, a list of fixed assets that staff is recommending for disposal to ensure proper disposition of the fixed or other assets and to ensure they are disposed of without violating the Constitution to prevent the gratuitous application of public funds.

The following list contains the items that rise to the level of a City fixed asset:

Asset ID#	Description	Year Acquired	Fund
01296	Chevrolet Pierce Mini Pumper	1987	General Fund
03245	American LaFrance Fire Engine	1975	General Fund

Councilman Cimics asked about a possible donation of the 1975 La France to the SA Fire Museum and Mr. Kowalik indicated that Chief Surber would need to make that decision and would get back with City Council.

Councilman Cimics made a motion to approve disposal of fixed assets with an initial net worth of \$5,000 and over; seconded by Councilman Morgan

Vote FOR: Councilmembers Dahl, Cimics and Morgan passed 3/0

E. Discussion and possible action to approve an Ordinance and authorize the City Manager to execute the Salitrillo ILA between the City of Live Oak and San Antonio River Authority for the Transportation, Treatment and Disposal of Sewage generated within the City of Live Oak – Mr. Kowalik and Mr. Wagster

Mr. Kowalik and Mr. Wagster came before City Council to provide information regarding the new Interlocal Agreement with the San Antonio River Authority (Salitrillo) for the Transportation, Treatment and Disposal of Sewage generated within the City of Live Oak. The Forty year agreement with the San Antonio River Authority (SARA) terminates in June 1, 2018. City staff and the city attorney have worked with the river authority and the cities of Converse and Universal City to formulate the new ILA. The most significant change to

the agreement is the methodology for incorporating annual wholesale rate adjustments. Annual formal action of the cities of Live Oak, Universal City and Converse will not be required. However, the city reserves the right to request a formal presentation of the budget and rates. The San Antonio River Authority is a public entity governed by elected board members with a board member that represents the Live Oak area. In the unlikely event that a dispute would arise regarding the budget and rates that could not be resolved by working with SARA staff, then city would have the opportunity to speak with the represented board member or be heard by the entire SARA board if necessary.

Both council members Morgan and Cimics express concerns about rates that SARA could impose with meaningful discussion.

Councilman Cimics a motion to approve to approve an Ordinance and authorize the Assistant City Manager to execute the Salitrillo ILA between the City of Live Oak and San Antonio River Authority for the Transportation, Treatment and Disposal of Sewage generated within the City of Live Oak; seconded by Councilman Dahl

Vote FOR: Councilmembers Morgan, Cimics and Dahl – passed 3/0

- F. Discussion and possible action regarding approval of and authorization for the City Manager to enter into an Irrevocable Trust Agreement with Randolph Brooks Federal Credit Union, LOTC Holdings, Ltd. and Alamo Title Company for securing Performance of Development for Related Public Improvement Obligations- Ms. Matney and City Attorney's Office

Ms. Matney came before City Council to discuss and answer any questions regarding this agenda item. During development projects where the developer is completing public improvements, the City's subdivision regulations allows for the city to hold a surety bond or some other instrument to where, in the unlikely event, that for some reason the project gets a portion of the way completed and then is stalled for some reason, the city is allowed then to go after the bond to complete the public improvement. With the Town Center, they have chosen to place money in an irrevocable trust to provide this surety. As the dollar amount is drawn down and the project is completed, the city will release the money in the trust to the developer. The property for the street extension from the access road of Loop 1604 access to the back door of IKEA being owned by RBFCU and the Town Center project is paying for the road.

Councilman Dahl made a motion to approve and authorize the Assistant City Manager to enter into an Irrevocable Trust Agreement with Randolph Brooks Federal Credit Union, LOTC Holdings, Ltd. and Alamo Title Company for securing Performance of Development for Related Public Improvement Obligations; seconded by Councilman Morgan

Vote FOR: Councilmembers Dahl, Cimics and Morgan – passed 3/0 – passed 5/0

8. CITY COUNCIL REPORT

- A. City Council Members report regarding discussion of City issues with citizens.

Councilman Morgan indicated that a citizen had contacted him regarding possible issues with the Town Centers Detention Pond working properly. Mr. Wagster indicated that the detention pond would be inspected and that everything is being done to design and specifics.

9. GENERAL ANNOUNCEMENTS FOR CITY COUNCIL AND STAFF

A. City Council

Councilman Cimics announced that the April 28th Shred Day was a success and that 350 vehicles had made drop offs at the Fire Department. He thanked the all the fire fighters (B-Shift) that assisted him with the event. In addition, the Hilton Garden Inn is having a Mother's day brunch.

B. Staff

Ms. Matney announced that there was a Ribbon Cutting, Iron Forged Body Works located at 8147 Pat Booker behind Blondes Brunettes and Redheads Salon. The ceremony will begin at 3:00 p.m.

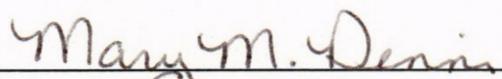
Mr. Wagster indicated that Public Works was working on a water break today at the Town Center, and water would be restored by 10:00 tonight

Mr. Kowalik indicated that staff was working hard on their departments budgets and were due back to him on May 23rd. In addition, that the new San Antonio River Authority rates would be on the next agenda.

10. ADJOURNMENT

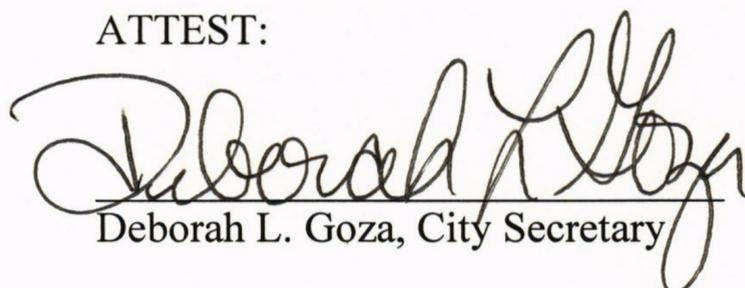
As there was no further business, Councilman Cimics made a motion to adjourn; seconded by Councilman Dahl. The City Council meeting adjourned at 7:56 p.m.

APPROVED:



Mary M. Dennis, Mayor

ATTEST:



Deborah L. Goza, City Secretary