

MOVED  
 SECONDED  
 VOTED AYE  
 VOTED NAY

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:  
 RUBEN FALCON, JAMES WARNOCK, MIKE URETA, JR.,  
 PAM PALILEO, & DINO RAMIREZ

MAYOR: JOE CHRIS ALEXANDER  
 CITY MANAGER: FRANK RODRIGUEZ III  
 CITY SECRETARY: DELMA A. GONZALEZ  
 CITY ATTORNEY: JESSE GONZALES, JR.

Mayor Alexander called the Special Meeting to order at 5:30 p.m. after declaring a quorum present.

Mayor Pro-Tem Ureta gave the Invocation.

Council Member Warnock led the Pledge of Allegiance & Pledge to the Texas Flag.

**FIRST ORDER OF BUSINESS:**

**1. 1st Public Hearing on the Proposed 2018-2019 City of Fort Stockton Budget & Tax Rate of \$0.4533 Per \$100 Valuation of Taxable Property.**

City Manager Rodriguez presented the Proposed 2018-2019 Balanced Budget and stated that \$27,000 was proposed for the Contingency Fund. Due to the Homestead Exemption that was approved, property taxes would decrease but nevertheless the budget needed to be accommodated.

The Capital Improvements List was updated because several items were previously purchased. The remaining amounts for the specified items were not included in the proposed budget but could be obtained if needed from this or next year's Fund Balance. Items on the list are:

City Hall	City Hall Renovation	\$ 50,000
Maintenance	1-Ton Mechanic Truck	\$ 80,000
HB 445	Water Truck 4,000 Gallons	\$ 65,000
Water	Building Improvements	\$ 50,000
Sewer	Clarifier/Pond Rehab/New Pond	\$530,000
	Backhoe	\$ 98,000
R.O. Plant	R.O. Membrane	\$130,000
Gas	Compact Excavator	\$ 80,000
Sanitation	Replacement for 3yd Container	\$240,000
	Building Roof Repairs	\$ 40,000
	Forklift	\$ 35,000
Landfill	Dozer	\$850,000
	Landfill Expansion Project-Construction	\$800,000
<b>Total Capital Improvements:</b>		<b>\$2,733,000</b>

CITY OF FORT STOCKTON, TEXAS  
 MINUTES OF: SPECIAL CITY COUNCIL MEETING  
 DATE OF MEETING: AUGUST 30, 2018  
 TIME OF MEETING: 5:30 P.M.  
 PLACE OF MEETING: CITY HALL COUNCIL CHAMBER

VOTED NAY  
 VOTED AYE  
 SECONDED  
 MOVED

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:  
 RUBEN FALCON, JAMES WARNOCK, MIKE URETA, JR.,  
 PAM PALILEO, & DINO RAMIREZ

MAYOR: JOE CHRIS ALEXANDER  
 CITY MANAGER: FRANK RODRIGUEZ III  
 CITY SECRETARY: DELMA A. GONZALEZ  
 CITY ATTORNEY: JESSE GONZALES, JR.

An amount was identified regarding the ½ ton trucks and the backhoe included in the Capital Improvements List wherein \$2 million could potentially be transferred to the Fund Balance. An option for the ½ ton trucks that were needed for Public Works supervisors was to utilize this fiscal-year's funds to purchase some of the vehicles which would decrease the 2018-2019 budget.

Another consideration was to reduce the \$105,000 that was currently budgeted for the purchase of ten (10) Police vehicles. Two (2) Police vehicles could instead be purchased which would reduce the amount to eight (8) vehicles. This could be accomplished due to the revenues generated from the Enterprise Fund that were transferred to the General Fund.

Currently, the City had an Enterprise Lease Agreement which indicated that during the 5-year lease program, the City could opt to purchase any of the vehicles at any time. Also, the City had the ability for an early payoff without a penalty. An advantage in decreasing the vehicle lease payment was that the City could trade-in vehicles at the 5-year mark. This would be more of an advantage to the City than it would for Enterprise from sales. The lifespan of a City vehicle could increase with proper maintenance, etc. These were merely available options that could be considered versus a 5-year lease program.

**Mayor Pro-Tem Ureta** asked to see these options in writing.

**Director of Finance Rodriguez** remarked that the biggest advantage for the City would be the savings in interest from each vehicle that was purchased. Funds totaling \$105,000 were available this fiscal year for the Police Department to purchase vehicle(s) which would decrease the number needed. If purchased, vehicles could be transferred to the Public Works Department.

**City Manager Rodriguez** conveyed that this item would be presented to City Council for consideration. They could opt to remain with the lease plan &/or purchase two (2) Police vehicles.

**Council Member Falcon** stated that this sounded too good to be true because initially the City was dissatisfied with purchasing vehicles because it could not stay abreast with what was needed; then a vehicle lease was recently approved and now purchasing was being reconsidered. He asked to see a 5 year – 7 year comparison.

A 2% utilities increase was included in the proposed budget. He was opposed to this increase because in the last year the fee for utilities to hotels, apartments, etc.

CITY OF FORT STOCKTON, TEXAS  
 MINUTES OF: SPECIAL CITY COUNCIL MEETING  
 DATE OF MEETING: AUGUST 30, 2018  
 TIME OF MEETING: 5:30 P.M.  
 PLACE OF MEETING: CITY HALL COUNCIL CHAMBER

VOTED NAY  
 VOTED AYE  
 SECONDED  
 MOVED

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:  
 RUBEN FALCON, JAMES WARNOCK, MIKE URETA, JR.,  
 PAM PALILEO, & DINO RAMIREZ

MAYOR: JOE CHRIS ALEXANDER  
 CITY MANAGER: FRANK RODRIGUEZ III  
 CITY SECRETARY: DELMA A. GONZALEZ  
 CITY ATTORNEY: JESSE GONZALES, JR.

were doubled twice. He was uncomfortable affecting the locals. He asked Director of Finance Rodriguez to print Option 2 without the 2% increase. This option reflected a deficit of \$88,400 which included \$27,000 from Contingency Fund totaling \$135,000.

**Director of Finance Rodriguez** stated that the -\$88,000 was what was increased with the utilities. During one of the budget workshops, \$130,000 was needed but adjustments were made to several revenues to secure those funds. The utility bills with the increased fees were generated earlier that day and mailed.

**Council Member Falcon** expressed that a concern was the feedback that could be received from those businesses that were affected twice in the same year. Even though they were not local homeowners or businesses in the center of the community most of those individuals were also local business owners. The next concern that the City would receive was its potential 8% wage increase to employees.

**City Manager Rodriguez** stated that the only recommendation he had if City Council opted for Option 2 would involve Professional Services (\$100,000) and Public Safety Building (\$350,000) which would likely affect next fiscal year's budget after the first quarter. A budget amendment will be requested from the Fund Balance to complete the project. For now, funds from those specific areas would accommodate the budget.

**Mayor Pro-Tem Ureta** confirmed "So you would take \$100,000 from Professional Services minus the Public Safety line item and still have \$250,000 and place that as \$100,000 for the Professional Services."

**City Manager Rodriguez** replied that the amount would be enough to begin the process for 911. "Take the \$350,000 and make it \$250,000." The project expense for Phase I would remain undetermined until the punch list, phases, etc. were developed. At that time, a specific amount would be requested from the City to complete the different phases.

**Council Member Falcon** inquired if \$100,000 could be deducted and \$12,000 transferred to the Contingency Fund.

**Director of Finance Rodriguez** responded "We would balance it off and will not show to be a -\$88,000 with the -\$77,000/\$400,000."

**Mayor Alexander** inquired if the -\$88,000 was from the 2% utilities increase?"

CITY OF FORT STOCKTON, TEXAS  
 MINUTES OF: SPECIAL CITY COUNCIL MEETING  
 DATE OF MEETING: AUGUST 30, 2018  
 TIME OF MEETING: 5:30 P.M.  
 PLACE OF MEETING: CITY HALL COUNCIL CHAMBER

VOTED NAY  
 VOTED AYE  
 SECONDED  
 MOVED

ROLL CALL WAS ANSWERED BY COUNCIL MEMBERS:  
 RUBEN FALCON, JAMES WARNOCK, MIKE URETA, JR.,  
 PAM PALILEO, & DINO RAMIREZ

MAYOR: JOE CHRIS ALEXANDER  
 CITY MANAGER: FRANK RODRIGUEZ III  
 CITY SECRETARY: DELMA A. GONZALEZ  
 CITY ATTORNEY: JESSE GONZALES, JR.

**Director of Finance Rodriguez** responded "Yes, we took it off of water, sewer, and sanitation."

**Mayor Alexander** affirmed that the "fund" contained money and if needed could adjust later. He favored removing the 2% because there was a lot going on.

**Council Member Falcon** emphasized that the sales tax revenue was "good."

**City Manager Rodriguez** said that the proposed budget contained a potential 5% cost of living and a 3% merit increase for employees.

**Council Member Falcon** voiced that the Rule of 80 was a concern due to the GASB 75 Post-Employment Benefits. The City was required to have the required funds available for years and years depending on employee(s). In reviewing calculations, the City could not afford the Rule of 80 due to its retirement benefits. This was not a public sector retirement. The other option was a 401K instead of a City Pension Plan which would not require a City matching ratio and would remove the City from GASB 75.

**Director of Finance Rodriguez** commented that nevertheless a 457 Deferred Compensation Plan would still be required to have guidelines/rules.

**Council Member Falcon** stated that this would be a conversation for next year or later because the focus for the current workforce was money and not retirement.

**Director of Finance Rodriguez** expressed that as requested, the number of employees for each department was included in parenthesis next to the "Salaries" line in Option 2.

There being no further business, the Special City Council Meeting was adjourned @ 5:57 p.m.

  
 Joe Chris Alexander, Mayor

ATTEST:  
  
 Delma A. Gonzalez, City Secretary