



MINUTES
OF THE CITY OF SAN BENITO SPECIAL CITY COMMISSION MEETING
AND BUDGET WORKSHOP

On September 8, 2020 the City Commission met for a Special Meeting and Budget Workshop at the San Benito Community Building, 210 East Heywood, San Benito, Texas.

City Commission Members Present: Carol Lynn Sanchez, Mayor Pro Tem; Antonio Gonzales, Commissioner, Place 1; Rene Villafranco, Commissioner, Place 2; Mark Sossi, City Attorney.

City Commission Member Absent: Benjamin Gomez, Mayor ; Vacant, Commissioner, Place 3

City Administration Personnel Present: Manuel De La Rosa, City Manager; Fred Bell, Assistant City Manager; Ruth McGinnis, City Secretary.

ITEM 1. WELCOME.

Mayor Pro Tem Carol Lynn Sanchez called the meeting to order at 5:40 p.m. confirming a quorum.

ITEM 2. PUBLIC COMMENTS. (Speakers/Remarks limited to three minutes. Public Comments limited to forty-five minutes).

Ruth McGinnis, City Secretary, announced no public comments.

ITEM 3. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN EXTENSION OF AMBULANCE SERVICE CONTRACT WITH SOUTH TEXAS EMERGENCY CARE FOUNDATION, INC.

Emergency Management Coordinator Fred Bell addressed the City Commission advising the ambulance service contract between the City of San Benito and STEC expires September 30, 2020. The city manager and city attorney have reviewed the contract and in order to avoid any interruption of current services a temporary extension of current contract for three months has been agreed upon by both the city manager and STEC executive director. The approval will provide an extension of the current contract until December 31, 2020. Commissioner Antonio Gonzales questioned if City had talked to STEC. City Manager Manuel De La Rosa confirmed he spoke with STEC Executive Director Bill Aston, Randolph Wittington, STEC Attorney, and City Attorney Mark Sossi has also been in communication by e-mail with their attorney. It was determined we need to address some concerns over the next 90 day period; before the Christmas holidays it will be resolved. Mayor Pro Tem Carol Lynn Sanchez requested a motion. Commissioner Rene Villafranco moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye: Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, and Commissioner Rene Villafranco. Motion carried to **APPROVE AN EXTENSION OF AMBULANCE SERVICE CONTRACT WITH SOUTH TEXAS EMERGENCY CARE FOUNDATION.**

ITEM 4. WORKSHOP ON PROPOSED BUDGET FOR FISCAL YEAR OCTOBER 1, 2020 TO SEPTEMBER 30, 2021.

City Manager Manuel De La Rosa addressed the City Commission referring to our last meeting, understood from one of the public comment it would be a great opportunity to provide a year to date. Please see tab number four providing year to date expenses. We made very few changes from previous budget. Last year's budget, certainly from pandemic, in February and March we started see a change in the way we operate, we cancelled training and travel, only recently we had webinars that Planning Department has been doing. To change the budget for historical based on last year and current fiscal year we are at, we create a roller coaster right in the budget until we see exactly what this fiscal year

will end and what the next fiscal year will look like. The budgets are not based on just the previous year, historical you start looking at trend and start looking back three to five years, I use three years generally and start projecting forward, start looking at capital projects, at staffing, we have had those discussion, we have talked about fire trucks and police cars and dispatch staffing at police department. This budget left all those intact, we did add an additional person the general fund, the telecommunications operator in the police department. We did not do away with any positions, we are already operating on a lean machine. When we had events, we had a Planning Coordinator created about two budgets ago, that position is still there, however, not as an Planning Coordinator. As we will not get to that type of activity type anytime soon, but should we find the right person, for an Administrative Assistant. We do, and one reason, with COVID-19 we do have a rollercoaster ride, employees come and go employees get ill, child care, adult care, parents, family member, so on any given day we are short handed in one or multiple departments. So removing personnel, a few months ago, when we discussed furloughing employees it probably would not have worked out well for us. It would have saved us some money, but as you heard at last meeting when Ms. Pena informed you we have a surplus of over a million and a half dollars and closer to \$1.7 million and will see how it will close out. We will have a surplus again, a lot based on fiscal conservative spending and then just what we put back. Eventually we will come out of this, one comment was about elections and how we budget for that. In this budget cycle, we have elections on November 3, when you have three candidates for a position you likely going to have runoffs. Ms. McGinnis has been working with county election administrator on run off dates in December, close to the holidays. Then in May 2021, you have general city elections again, having two seats, the one vacancy filled in November will run again in May 2021, if we have again a number of challengers we will likely have another run off, we budget based on worst case scenario. If we would have used May numbers and based on that we would be closer to the \$90,000.00. We are getting a discount because in the November 2020 election, is the presidential, there's county, all those paid by the county, school geographically has larger area and pays more than city does, we have benefited from a discount on that but unknown what elections that will hold and certainly presidentials in May and unknown runoffs in the federal levels in December. The enterprise fund, water and sewer, divided into each category, water plant two will be online in near future, the filtration system is constructed and in place, discussions with TCEQ on last items to run plant in accordance and requirements to put back water into the distribution system and we need operators to operate water plant two. The difference from water plant one and water plant two is that water plant two will have a scada system, hoping to cut back on having human assets work 24 hours a day at that facility, part of the budgeting that we did when the certificates of obligation with water and sewer was to put the scada system at wp1 at the waste water facility, taking that into consideration. Therefore, we will not need personnel 24 hours a day. People get ill, FMLA issues, people get hurt, people go on vacation, and we have an aging workforce, it is difficult to find young people to work in water and wastewater. It's not as glorious as it is to be a fireman, it is a tough job, it is hard, you know street crews, it's an older demographics, most are not accustomed to that environment we have a high turnover. Our machine has been operating fairly lean, a lot of our folks are long tenured and we can count on them. The water plant will have an adequate number of folks when we go live with it and we have been working that. There are no other additions, we did not do away with employees, we added a handful, one in general fund, four in the water operations. Directors are present to answer any questions that you may have. There is a public hearing after workshop it was published by notice we are required to have it. If there is any comments and we can address them or too time consuming addressed out of here, this is a workshop for elected officials to address management. Budget books have been with city commission for ten days and the year to date since the weekend. He need to understand where we are at, to summarize changes based have been few based on our current cycle. [Commissioner Antonio Gonzales](#) questioned the number of employees the City has and how many are in utilities and how many in sewer. [Yolanda Villafranca, Human Resources Director](#), advised there are 214 employees for Fiscal Year 2019-2020 and 217 budgeted employees for Fiscal Year 2020-2021. Currently staffed there are 196 employees, we have vacancies. There are 45 employees in Utilities which includes the water plant, waste water plant, water maintenance, meter readers and sewer. We have vacancies in water distribution and waste water main, the issue we have is our starting salary is \$8.88 per hour, compared to other cities is minimal, our heavy equipment operators and cdl drivers start at \$10.00 per hour, when neighboring cities start them at

\$12.00 or \$14.00 per hour. Heavy Equipment Operators and CDL, new hires, start at \$10.00 per hour. Employees that we already have are making more than \$10.00. If we compare to other neighboring cities we are still below. The Commission approved incentive, the higher the license the more the incentive. Every time they move up the incentive increases. **City Manager Manuel De La Rosa** advised the police or fire, water and wastewater, are the only employees that receive certification pay, the cdl is not a certification, it's a driver's license. They come in a little higher, some employees are here for number of years, and they are receiving \$14.00 and \$16.00 based on skill sets and certification, the city commission has been very gracious by providing the three percent increase since I've been here, almost five years. It's very difficult to keep laborers in the field, water distribution, sanitary collection system, or the street guys, we had heat exhaustion two weeks ago and it was same time I was receiving e-mails about the leak next on Robertson Street, next to Garza Furniture why are the guys not working and had to explain because of the heat exhaustion. Albert Cabrial is water distribution supervisor had his water crew, the waste water crew and some of the street crew because we had to get through a number of inches of concrete out into the roadway with high 90's with a heat index hitting 110 to 111 during that time period. Our city crews work very hard to keep our systems up. **Commissioner Rene Villafranco** requested clarification on 20 vacancies short, if budgeted, and questioned how do we increase the pay scale from \$8.88 to bring people in and be competitive with other cities to keep good employees here. **Yolanda Villafranca, Human Resources Director** confirmed 20 vacancies are budgeted for, pending to be filled. For example, we are working with Texas Workforce Commission, we had a gentlemen start today as a meter reader and within two hours he was about to faint, seemed like, had to send him back to workforce because they are not used to this type of work. **City Manager Manuel De La Rosa** advised the City Commission, we look at this in last three budget cycles that I've worked with Ms. Villafranca, part of issue is morale of the employees, when you bring an \$8.80 and bring in on a \$10.00 with no skill sets, that's because we are competing with H.E.B. and Walmart type businesses they pay more, the \$10.00 staff with certifications, creates a ripple effect they are not happy because they are now getting the same entry level pay. That's just 45 people in water and sewer. That's not the street guys, public works streets has 23 and parks has 10 recreation has 3 so it's 36 employees. They are all low. But if you start the bottom you will have to start looking at the others because morale it will put us in another bracket, will create a situation unless we address it with a overall plan and if that's the direction you'd like me to look at and will not take effect tonight or next week while this budget is in play. I utilize a pay grade guideline put together before I came onboard. It was never adopted by city commission, I have it and use it as a guide. Tells me how to keep everybody in check when hiring or promoting folks or trying to reward. You authorize the incentive pay we give and if you want us to start looking at we can put a plan. It will modify the pay grade scale and it was very well put together. If that's the consensus of the entire city commission we can start looking into this and formulate a plan and will have a financial impact on the long run. Based on job, if you set a person to start at \$10.00 and calculate the annual increase or a five year period you know what benchmark will be and we already have number of employees in categories coming up with those calculations will be simple for us and will give you a snapshot when it comes to salaries. When it comes to salaries and benefits it's one of the biggest expenses we have. You've got civil service statutes, got collective bargaining agreement with police department. **Mayor Pro Tem Carol Lynn Sanchez** asked if we could just focus on the 45 utility positions, as those are the lowest paid. **City Manager Manuel De La Rosa** advised then you're going to get the Parks Department, because it didn't include them, the same guys out there mowing in one-hundred plus temperatures. It's the laborers, public works and parks has approximately eighty employees. **Commissioner Rene Villafranco** requested for City Manager to look at that pay scale to increase salary on everybody that does labor. **City Manager Manuel De La Rosa** advised eighty employees at two dollars increases \$4,000 a year, that's \$320,000.00, it adds up quickly just base salary, does not include contributions. We can put together and give you an idea. We need water operators and need certified personnel working at both water plants, don't need issues with state regulatory agency when it comes to those permits. **Commissioner Antonio Gonzales** stated, I'm not talking about the operators, I'm talking about people working outside. It's hot and they should be compensated for something like that. Especially now a days, they've been doing it for a long time, and we've been discriminating against them, they've been keeping San Benito going. Check and see if we can give them a little bit more. Not these guys that work in the office, they have air condition, inaudible. We can't compare the fire

department nor the police department with these people. They are out in the sun only when washing their car or exercising. These guys are always outside working under the sun for a lot of years. You cannot compare the fire department nor the police department to them. The police carries a gun and the fire department is a different category. They work eight hours a day in high temperatures and then they get told why are you just standing there. Mayor Pro Tem Carol Lynn Sanchez stated, every year the police gets represented for negotiations for raises. Commissioner Antonio Gonzales advised, these people do not get represented. Commissioner Rene Villafranco recapping, suggest pay scale effect on the budget if it is doable. City Manager Manuel De La Rosa advised we are not doing a salary comparison between our city and other cities we are not looking at the medium. We will look at the types of employees and what kind of work they do. I think the 80 employees were the laborers, not anybody that's in administration, it's about 80 out of 214 employees. If you want to include or exclude any one group that will be your decision. We will give you the numbers that we think increase within a certain range and will know until we start looking at that. City Manager Manuel De La Rosa continued presentation to Budget Summaries and advised we are asking EDC to participate with certificates of obligation with capital projects pertaining to water and sewer projects. Those obligations are incorporated in the budget even though the EDC has not formally entered into an agreement with the City. That budget for EDC was not reviewed nor scrutinized by City staff only concern was the debt commitments. This is our third workshop, we have one regular meeting, we discussed it so we've discussed it four times. We did included a three percent increase, not a done deal until you approve. The police department has a collective bargaining agreement theirs is at two and a half percent, they generally been getting what city commission gives employees. I'm not recommending whether three or anything, we'll have that discussion once we start new year generally by November you make that decision so we can issue before Christmas holidays. There is no sales tax increase, 3% proposed increase for employees built into the budget, ad valorem tax remains same. In a public setting to ask questions about details or year to date summaries if you realize we made a mistake we can adjust the budget again. We are in a pandemic, work, homeschool, this is a reasonable budget to recommend and we recommend we continue moving forward. Commissioner Rene Villafranco commended City Manager Manuel De La Rosa expressing it's a great budget. No Motion carried **DISCUSSION ONLY.**

ITEM 5. SECOND PUBLIC HEARING ON THE 2020 AD VALOREM PROPERTY TAX RATE FOR FISCAL YEAR 2020-2021.

- a) Open Public Hearing
- b) Close Public Hearing

City Manager Manuel De La Rosa announced the time is 6:35 p.m. and the floor is open for the Public Hearing. Belen Pena, Finance Director addressed the City Commission advising this is the second public hearing for property tax for fiscal year 2020-2021, proposing same tax rate as last year of .728125 for one hundred dollars. Mr. Joe Rodriguez, Citizen, addressed the City Commission regarding questions and requesting clarification on the City budget. Finance Director, Belen Pena, responded to Mr. Rodriguez's budget questions and City Manager Manuel De La Rosa responded on election budget question and other general fund questions. He also directed Ms. Pena to look into an ordinance and send update related to a fee included in water invoices for street maintenance as brought up by Mr. Joe Rodriguez. Mayor Pro Tem Carol Lynn Sanchez announced the time is 6:55 p.m. and the floor is closed.

ITEM 6. CONSIDER FIRST READING OF ORDINANCE NUMBER 2577, AN ORDINANCE OF THE CITY OF SAN BENITO ADOPTING A BUDGET FOR THE GENERAL FUND, DEBT SERVICE FUND, COMMUNITY DEVELOPMENT BLOCK GRANT, ECONOMIC DEVELOPMENT FUND, WATERWORKS ENTERPRISE FUND, WASTEWATER ENTERPRISE FUND, SOLID WASTE ENTERPRISE FUND, UNIVERSITY OF TEXAS SCIENCE CENTER AT HOUSTON, AND HOTEL AND MOTEL OCCUPANCY TAX FOR THE ENSUING FISCAL YEAR OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF SAN

BENITO, TEXAS AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.

Belen Pena, Finance Director, addressed the City Commission advising Ordinance 2577 is to consider first reading to adopt budget fiscal year 2020-2021. Included are summaries for each different fund. No motion carried **FIRST READING.**

ITEM 7. CONSIDER FIRST READING OF ORDINANCE NUMBER 2578, AN ORDINANCE OF THE CITY OF SAN BENITO LEVYING AN AD VALOREM PROPERTY TAX RATE FOR THE YEAR 2020.

Belen Pena, Finance Director addressed the City Commission advising Ordinance 2578 is for the levying of the ad valorem property tax rate for the tax year 2020. The tax rate remains the same as previous year. No motion carried **FIRST READING.**

ITEM 8. ADJOURNMENT.

Mayor Pro Tem Carol Lynn Sanchez requested a motion to adjourn. **Commissioner Antonio Gonzales** moved to approve. **Commissioner Rene Villafranco** seconded the motion. Voting Aye; **Mayor Pro Tem Carol Lynn Sanchez, Commissioner Antonio Gonzales, and Commissioner Rene Villafranco.** Motion carried to **ADJOURN AT 6:58 P.M.**

CITY OF SAN BENITO

BENJAMIN "BEN" GOMEZ
MAYOR

ATTEST:

RUTH MCGINNIS
CITY SECRETARY