

**Interim City Manager**  
Shirley Holm

**City Secretary**  
D'Ann Lane

**City Attorney**  
Epi Ysassi

# City of George West



**Mayor**  
Andrew J. Garza

**Mayor Pro-Tem**  
Jearl Rannefeld

**Council**  
Nathan Stroleny  
Patricia Clifton  
John Walker

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## **BUDGET WORKSHOP/REGULAR SESSION CITY COUNCIL MEETING MINUTES** **8/21/2023**

- I. Call Meeting to Order-Mayor Andrew Garza called the meeting to order at 6:10 p.m.**
- II. Roll Call-All council members were present with Nathan Stroleny appearing via phone, and arrived in person to the meeting at 6:57 p.m.**
- III. Invocation-Mayor Andrew Garza led the invocation.**
- IV. Pledge of Allegiance to the Flag of the United States-D'Ann Lane led the Pledge of Allegiance to the Flag of the United States of America.**
- V. Pledge of Allegiance to the Flag of Texas-D'Ann Lane led the Pledge of Allegiance to the Flag of Texas.**
- VI. Public Comments**  
**NONE**
- VII. Announcements and Correspondence**  
**NONE**

## **CONSENT AGENDA**

- 1. Consideration and Action to change the time of the September City Council Regular Session Meeting to 5:00 p.m.**
- 2. Consideration and Action to approve the following minutes:**
  - a) Regular Session City Council Meeting Minutes 7/26/2023.**
  - b) Special Session City Council Meeting Minutes 8/7/2023.**
- 3. Consideration and Action to approve Accounts Payable for July 2023.**
- 4. Consideration and Action to approve the closures of Houston Street, South Pecos Street, and Fannin Street from 6:30-7:30 p.m. on Wednesday, September 27, 2023, for the George West Longhorn Homecoming Parade.**
- 5. Consideration and Action to approve the 2023-2024 annual contract renewal between ARDURRA and the City of George West for professional services not to exceed \$49,000.00.**

Mayor Garza asked if anything needed to be pulled from the Consent Agenda. Nothing was pulled. Mayor Garza called for a vote. All in favor. Consent Agenda was passed.

## **BUSINESS**

### **6. 2023-2024 Proposed Budget Workshop.**

**In conjunction with the Open Meetings Act, there will be No Citizen Participation during the Workshop.**

### **GENERAL FUND**

Shirley Holm presented the FY 2023-2024 Budget information to include a comparison of the current 2022-2023 Budget, Projected 2022-2023 actual revenues and expenditures and the 2023-2024 Proposed Budget. Revenues and expenses were down by 4.5% for 2022-2023. The City continues to do a great job to cut back on expenditures at the same level as incoming revenue to ensure financial stability.

For the 2023-2024 Proposed Budget, revenues will be slightly down; however, we do anticipate higher sales tax collections. Expenditures include 23 employees in the general fund. All departments' budgets increased for employee health and property/liability insurance premiums. Additionally, pool renovations, police vehicle maintenance, street repairs and equipment, SCBA's and vehicle maintenance for the Fire Department are the major increases in the proposed general fund budget.

### **UTILITY FUND**

Shirley Holm presented the FY 2023-2024 Budget information to include a comparison of the current 2022-2023 Budget, projected 2022-2023 actual revenues and expenditures and the 2023-2024 Proposed Budget. For the 2022-2023 Budget, revenues are down 2% and expenditures are expected to be exceeding budget due to the land purchase, legal fees, and appraisal for the Condemnation Hearing and pond remediation of the buffer zone for the Wastewater Treatment Plant.

For the 2023-2024 Proposed Budget, revenues are expected to be slightly down. Expenditures include 11 employees in the utility fund. All departments will have increased budgets in employee health and property/liability insurance premiums. We are planning on additional funds needed for drinking water meter upgrades on equipment and software, continuation of replacing old gas distribution lines according to the RRC guidelines, and the majority of increase in budget for the utility fund will come from the upgrades and

repairs needed at the Wastewater Treatment Plant to comply with all TCEQ requirements and the additional expenses of pond remediation and legal fees due to the purchase of the land for the WWTP, which has been leased for no fee for the past 100 years.

## **RESOLUTION**

- 7. Consideration and Action** to adopt Resolution No. 2023-13, ceasing the 50% employee dependent insurance benefit paid by the City of George West for city employee dependents.

**Move as read by Jearl Rannefeld. Seconded by Patricia Clifton. Open for discussion. We currently have 2 employees that use this benefit, and they will be grandfathered in. Mayor Garza called for a vote. All in favor. Motion carried.**

## **ORDINANCE**

- 8. PUBLIC HEARING Consideration and Action** to approve the Second Reading of Ordinance No. 922, an amendment to Ordinance No. 21, amending the Fireworks section by adding new restrictions to fireworks in the George West city limits.

**Mayor Garza opened the hearing at 6:56 p.m. There was nobody present to oppose this Ordinance. The hearing closed at 6:56 p.m. Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. Open for discussion. Mayor Garza called for a vote. There were 3 ayes. Patricia Clifton voted nay. The motion was carried by 2/3 vote. Ordinance is passed.**

- 9. PUBLIC HEARING Consideration and Action** to approve the Second Reading of Ordinance No. 923, setting policies for administering license plates in the city limits for Golf Carts and ATVs.

**Mayor Garza opened the hearing at 6:57 p.m. There was nobody present to oppose the Ordinance. The hearing closed at 6:58 p.m. Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. Mayor Garza informed the council that further down the agenda there is another Ordinance with a First Reading. We found out that there is a state law on Golf Carts, so number 9 will have to fail in order to pass the new one. Mayor Garza called for a vote. Nathan Stroleny voted aye. Patricia Clifton, John Walker, and Jearl Rannefeld voted nay. The Seconded reading has failed.**

- 10. PUBLIC HEARING Consideration and Action** to approve the First Reading of Ordinance No. 924, an amendment to Ordinance No. 915, increasing commercial garbage rates, per Republic contract, beginning October 1, 2023.

**Mayor Garza opened the hearing at 6:59 p.m. There was nobody present to oppose this Ordinance. The hearing closed at 7:00 p.m. Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. Open for discussion. Shirley Holm averaged the new rates and it's**

minimal. Mayor Garza called for a vote. All in favor. Motion carried.

- 11. PUBLIC HEARING Consideration and Action** to approve the First Reading of Ordinance No. 926, setting policies in place for operating Golf Carts and ATVs in the George West city limits in accordance with state laws.

Mayor Garza opened the hearing at 7:01 p.m. There was nobody here to oppose this Ordinance. The hearing was closed at 7:01 p.m. Move as read by Jearl Rannefeld. Seconded by Patricia Clifton. Open for discussion. Chief Perkins looked into the Ordinance and found that there are some things that state law says must be done. One of the things is that they need to get a license plate from the county. This does not include the city permit. The city will continue to do their inspections of these vehicles. You must comply with the rules of the road and section 551. We have lowered the fee for the permits. Mayor Garza called for a vote. All in favor. Motion carried.

## **BUSINESS**

- 12. Consideration and Action** to approve payment for Appraisal update and representation to Deal Sikes in the amount of \$22,250.01 for the Condemnation Hearing on August 9, 2023.

Move as read by Jearl Rannefeld. Seconded by John Walker. Open for discussion. This includes his time at the hearing. All in favor. Motion carried.

- 13. Consideration and Action** to set the 2023 Proposed Property Tax Rate.

Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. Shirley Holm gave the council a copy of the 2023 Tax Rate Calculation Worksheet, Appraised Roll Certification and Governing Body Summary. Shirley Holm explained all of the documents to include that based on the current certified property values, the highest amount that the tax rate can be raised without voter approval is \$ 0.87484 per \$100. We are currently at a tax rate of \$ 0.63401 per \$100. She explained that it appears that in this next year, we will need an additional \$ 377,244 combined for the General and Utility Fund to operate. Most of the increase is due to the land purchase and improvements needed at the Wastewater Treatment Plant, street repairs needed, drinking water meter upgrades, and the increase in employee health and property/liability insurance premiums. The City has been able to keep tax rates lower over several decades in spite of inflation; however, she points out that more revenue is needed for 2023-2024. Valuations went up but taxes stayed the same. Mayor Garza entertained a motion to amend by inserting (at \$ 0.78264 per \$100 appraised value.). Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. This is a roll call vote.

Mayor Andrew Garza-AYE

Mayor Pro-Tem/Council Place 2 Jearl Rannefeld-AYE

**City Council Place 1 Nathan Stroleny-AYE**

**City Council Place 3-Patricia Clifton-AYE**

**City Council Place 4- John Walker-AYE**

**Amendment carried with a unanimous vote.**

**Amended Agenda item #13 Consideration and Action to set the 2023 Proposed Property Tax Rate at \$ 0.78264 per \$100 appraised value. This is a Roll Call vote.**

**Mayor Andrew Garza-AYE**

**Mayor Pro-Tem/Council Place 2 Jearl Rannefeld-AYE**

**City Council Place 1 Nathan Stroleny-AYE**

**City Council Place 3-Patricia Clifton-AYE**

**City Council Place 4- John Walker-AYE**

**Tax rate passes unanimously.**

**14. Consideration and Action to approve the request for donations and amount to the city utility bill for the purpose of Animal Control/TNR Program.**

**Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. Open for discussion. The council discussed what current utility donations we have on the utility bill. Jearl Rannefeld asked to add the TNR Program to the volunteer donations. The council decided to just divide the donations that come in between the other 5 charities. Mayor Garza called for a vote. All in favor. Motion carried.**

**15. Consideration and Action to approve the registration and travel expenses for two EDC Board Members, Jim Jorrie and Lawrence Jaramillo, to attend the TML Economic Development Conference, November 16-17, 2023, in Bastrop, Texas, in the amount not to exceed \$1,000.00 each.**

**Move as read by Jearl Rannefeld. Seconded by Patricia Clifton. Open for discussion. The council discussed this in the budget workshop. Mayor Garza called for a vote. All in favor. Motion carried.**

**16. Consideration and Action to approve the amount of \$306,770 to Mark Katzfey trustee of the E. Mark Katzfey GST Trust for approximately 2.75 acres of Land where the City of George West Waste Water Treatment Plant resides and a 28.17 acre Buffer Zone Easement needed for TCEQ requirements, located in Live Oak County, in accordance with the award granted by the special commissioners at the Condemnation Hearing on August 9, 2023.**

**Move as read by Patricia Clifton. Seconded by Nathan Stroleny. Open for discussion. John Walker stated that the special commissioners awarded this amount. Patricia Clifton stated that she was proud that the council did their best. John Walker commended Shirley Holm on how hard she worked on this. Mayor Garza called for a vote. All in favor. Motion carried.**

**17. Discussion on analysis of current Waste Water and Water rates.**

**Shirley Holm has started the analysis, but it is not complete yet. We have looked at 4 cities about the same size and we all have about the same rates.**

**Mayor Garza read the statement as follows:**

**The ownership of the property adjacent to the City of George West Waste Water Treatment Plant sold to E. Mark Katzfey Trust in November of 2020, which resulted in the end of a long beneficial lease relationship between the Heirs of George West and the City of George West in May 2023. With new ownership the city sought to acquire 2.7 acres of land and restrictions required by the state adjacent to the plant. To facilitate this acquisition from the E. Mark Katzfey Trust professional attorneys, a real estate appraisal firm and civil engineers were hired. Unfortunately, the city's initial offers were declined, and the city resorted to the process of Eminent Domain to acquire the property needed to continue the operation of the sewer plant. A suit was filed and on August 9, 2023, a hearing was held, and the Katzfey trust was awarded \$306,770.00 by court appointed commissioners in exchange for the property needed by the city. Regrettably, the professional fees and the remediation of four retention ponds next to the plant cost the city an additional \$214,839.00. This unforeseen expenditure will have a negative effect on the financial position of the City of George West now and in the future.**

**18. Consideration and Action to convene into EXECUTIVE SESSION. In accordance with Section 551.074 of the Texas Government Code (Personnel Matters), the City Council may go into executive session to discuss the following:**

- a) Discussion on the City Manager Position.**

**Move as read by Jearl Rannefeld. Seconded by Patricia Clifton. Mayor Garza called for a vote. All in favor. The council entered Executive Session at 7:37 p.m.**

**19. RECONVENE**

**Zoom ID: 865 5921 1763  
Zoom PW: 795373**

**Move as read by Patricia Clifton. Seconded by Jearl Rannefeld. All in favor. The**

council reconvened at 7:58 p.m.

**BRIEFINGS:**

**20. Interim City Manager's Report:**

- a) Revenue and Expense Report for July 2023.
- b) City and Project Updates

**21. Questions or Briefings at the City Council's Request:**

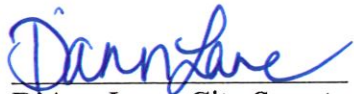
- a) Code Enforcement
- b) Municipal Court Report
- c) Public Works
- d) Police Chief Report
- e) Animal Control

Shirley Holm gave an update during the Budget Workshop, which included that in the General Fund, the revenue is 86% of budget and expenses are 81% of budget. The Utility Fund revenue is 81% of budget and expenses are 72% of budget. Both Funds are at a positive \$ 285,653 for period ending July 31, 2023. The current total bank balance is \$2,686,765. John Walker asked Shirley Holm how much of the total is uncommitted cash. Shirley Holm informed him that it is about \$1.5 million.

**22. Adjournment.**

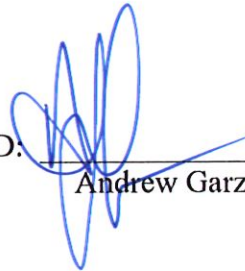
The council meeting was adjourned at 8:00 p.m.

ATTEST:



D'Ann Lane, City Secretary

SIGNED:



Andrew Garza, Mayor

# SIGN IN SHEET

August 21, 2023

## REGULAR SESSION CITY COUNCIL MEETING/BUDGET WORKSHOP

**(PLEASE PRINT & SIGN)**

PLEASE PRINT NAME	SIGNATURE
Drew Dozier	Drew Dozier