

**SPECIAL SESSION, BUDGET WORKSHOP, TUESDAY AUGUST 7, 2018  
6:00 P.M.**

**The Mayor and City Council met for a Budget Workshop on Tuesday, August 7, 2018 at 6:00 p.m. with the following members present: Mayor Diaz, Council Members Rivas, Robinson, Lee and Gonzales; City Manager Squyres and City Secretary Raines. Council Member Garcia and City Attorney DeFoyd absent.**

**City Manager Squyres gave a power point presentation of what had been Done with infrastructure so far, 87 blocks south of Market Street (including the ongoing project), new individual lines to each meter, meters that were in the rear moved to the front, new fire hydrants on every corner or within 500 ft. from nearest plug, control valves allowing isolation of single blocks, and City Wide elevated tank rehabilitation (300K gallons), ground storage rehabilitation (1M gallons), back up generators at water well and water plant, new pump station at water plant and new control building at water plant.**

**He went over how applying for grants had changed over the years, and how we were planning ahead for the North Side, that we had just applied for design work on 3 year of construction and we also just applied for 4 years of construction funding 2019 CDBG for 2021, 2022 and 2023 and the contract was signed March 2018. 2018/2019 Jacinto City design for 2020 construction. He went over the blocks that would constructed each year from 2020 thru 2023 and also discussed long term planning (power point presentation attached).**

**City Manager Squyres discussed the upcoming census and the importance of getting a correct census and the fact that a lot of people would not fill out the paperwork because one question on the census ask if you were a US citizen. He stated that it was important that all of us encourage the residents to fill out the census because it played a big part in the assistance that we would be able to attain and discussed the change in our city as to what was considered low/mod individuals.**

**There was discussion about what caused the change and Mr. Squyres advised that we did not know what caused it.**

**Mayor Diaz stated that a lot of people in this city was not going to fill out the census because of what all was going on.**

**There was general discussion about the census and the laws governing the confidentiality of what you fill out on the forms.**

**City Manager Squyres advised that the bonds that we are paying on now will be paid off in 2022 and that meant that we were going to have a extra half million dollars every year at that time and that was equivalent to 11 cents on every \$100 evaluation and we would like to start now thinking about those future projects and one of them was the sewer plant and we would talk a little bit about that later but we don't want to let those funds expire and all of a sudden we have to lower taxes with bonds paid off so we want to plan ahead and leave that bond debt pretty much in place at a level playing field and it will become transparent to the citizens that we don't have to go out for a vote on the bonds, we go to the Water Development Board for certificates of obligations and take care of what ever projects we need to do. He stated that as they knew we had lowered our cash balance with building of the police station, pool and fire station, that we had way to much surplus money and we needed to start thinking about capital outlay projects that need to be done.**

**City Manager Squyres stated that after Ike we found a money solution covered by GLO, we got about 4.5 million that we worked very very hard for, they could ask Joyce about the administration of that and we finished it up about 1 months before Harvey came, eight years we worked with that money but we got a lot of projects done a lot of sewer line, generators all over the place, the sludge press, etc., now Harvey and we know that money is coming, we had our first meeting with them last week and they announced that our allocation was \$5,350,417 million dollars and that was Round 1 and we may get more, so with \$5,350,417 we were recommending that we apply for money for rehabilitation of the sewer plant, he stated that the rough number for**

**rehabilitation of the sewer plant was 9.5 million so we could theatrically do about half of the sewer plant so that was a lot of money and then we go the to the Water Development Board for about half of that instead of the full 9 million. He stated this was the largest single grant award that we have ever received and let him tell them how their actions helped with this, did they remember the day he came to them and ask them to use the gym for a few months and they decided to let FEMA come into the gym, one of the reasons we did that was because we knew that at the end of the day, we didn't know what the allocation would be and explained what the allocations was based on and that by allowing people to have a nearby facility to talk with FEMA and other agencies and file claims it would be to our benefit and the base amount of claims filed by people was 1.5 million and a lot of people had to appeal to get us over that number but we had 1.983 million so we had almost \$500,000 over that threshold so we qualified for the money and he explained how much Galena Park had which was only \$34,000 over the required 1.5 million and he would say for the records that if there hadn't been a FEMA Assistance center this close to them he didn't know if they would have gotten the money. He stated that there were about 10 cities beside us and went over a list of them that received the funds and a lot of the cities that came to the meeting had under the 1.5 million and did not get any allocation. He stated that our allocation was pre approved and we were going to get \$5,350,417 and we were proud of that number and so it would go a long way in helping us and we hoped to use it wisely.**

**City Manager Squyres advised that the proposed budget was based on the same tax rate as previous years, of course we did not have our certified Tax roll from the county but we were estimating the increase in tax revenue to be about \$72,000, that in all three categories, industrial, housing and business was doing well, our sales tax was doing a little better than last year and our franchise taxes were doing better than last year.**

**He advised that as they looked at each budget they were going to see that there were large decreases in all of them and if they looked over to the right column, that every thing in brackets was a decrease and the largest rational for the decreases was in health insurance and every year it got more expensive and harder to get the same level of service for our employees, this year we had ask a consultant to come in and give us some advise and they brought some very talented people to the table and came up with a plan that will help us provide just about the same service that we have now but it was going to cost us a lot less money so in short across the board this year is 5% lower and that was the first time since he had been with the city, that he could remember, lowering the city's premiums. He explained some of the changes to the policy and how we planned to offset them, that we were also purchasing a supplemental on a gap insurance plan and explained how it worked.**

**He stated the large change in infrastructure and capital improvements, that in the last couple of years we had taken money out of the bank to build the police station, fire station and pool, we were wrapping those projects up so the only thing that would come out of this year's budget was for finishing two projects, the remainder of the police station and the remainder of the fire station. He advised that the only money coming out of reserve fund in the budget would be the remainder of the police station and fire station which was \$1,100,000 and everything else would come out of projected revenue in the budget, that it was a self sustaining budget, we were not adding any debt to the city and we were not going to public funds at all and after we pay everything in General Fund we were still going to have \$23,448 left over.**

**He stated that after we do the same thing in Water Fund, after we pay all the bills we would have \$12,702. He stated that on Page 2, our burden of debt was \$489,300 plus \$300.00 in bond agent fees and that was the one that we only had three more years to pay on. He stated that there was one revenue source that we were extremely proud of and called their attention to Code 5552 on the revenue page Medicare Supplement Program, that this had been out there for a little while and**

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**we were a little bit hesitant about it, that Chief Hobbs was heading this up and Rebecca and he were assisting and Roland was actually going to do North Channel as well and will be providing the difference to medicare of what we are spending and what we are making to generate this revenue.**

**He went over each department outlining the increases or decreases.**

**He advised that Department 10 fuel expenses would stay the same.**

**Department 11.**

**He stated that as we get into the individual departments, all raises would be done on an evaluation basis, based on 3% across the board, he stated there were a couple of minor variations for some people who had specifically stepped up to the plate at city Hall and would be taking over when one of the clerks retired.**

**Mayor Diaz ask who was retiring and was advised that Leticia would be Retiring next year.**

**Mr. Squyres stated that everything else was basically the came 3% budgeted but not necessarily applied.**

**He stated that health insurance had gone down \$27,250 and another thing was that we were changing telephone service, that when we started dealing with the police department he was amazed how complex it was that we were going to fiber optic service and they would Run fiber optic cable to all the city buildings and they would notice the decrease in telephone and internet service in most departments. He advised that we would have to have new phones and that was included in the budget.**

**He advised that Council Member Robinson had request we include an Emergency Fund for replacement of an A/C unit if needed and we had Just had to replace a unit here at the annex.**

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**Department 12:**

**He advised that there was a decrease in Department 12.**

**Department 13:**

**He stated there was an overall decrease in Department 13 and the only Capital Outlay was to relocate a storage container and a payment on the humane officer's truck.**

**He advised that it was up to the council to decide if we need to enlarge the kennels, he did not think it was needed; use some of the money to fix the dogs.**

**Department 14:**

**He advised there were no major changes in that department.**

**Department 15:**

**He stated that department was pretty much the same, he had added a Code for Special Events & Projects and explained what those programs could be.**

**He stated that we were possibly getting a new hotel and we wanted to change the way people look at Jacinto City by incorporating different events, that Ms. Mier had already accomplished some of that with the Market Day and Market Night and we would like to include other events along with that.**

**Council Member Robinson ask when we were shutting down the pool and Ivan advised August 17<sup>th</sup>, that school started back on the 22<sup>nd</sup>.**

**Council Member Robinson stated that he didn't know how anybody else felt but we spent 1.5 million dollars on a new swimming pool and we were going to keep it open 2 1/2 months, that he wanted to see it open**

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**It open this month and to not say there were no life guards, he had talked to the life guards, they want to work so he needed somebody to come back to him, he didn't know how anybody else at this table felt, he wanted somebody to come back to him with a schedule of how long we were going to keep this pool open and if they didn't agree with him that was fine but we spent a lot of money, a lot of people enjoy it, the seniors are down there everyday between four and five and the kids are saying they get out of school at 2:30 p.m. and can be there by 4:30 p.m..**

**City Manager Squyres advised that he stated exactly what he had discussed with Ivan, that we had volunteers and Council Member Robinson stated yes and we didn't even train them.**

**Council Member Rivas stated that one of the things that we did talk about in the past was how long our summers are here as opposed to other parts of the country and how warm it still is in September so we know that pool water is probably warm enough that the seniors can enjoy it and he thinks that until they come and say it was a bit to cold and then we shut it down.**

**Council Member Robinson stated that we could have churches or other organizations wanting to use it in September or even October.**

**City Manager Squyres stated that he had ask him for two plans, he had ask for a plan extending the typical operations of the pool, that he understands that kids have to go back to school and we may lose some life guards but if we have to have another training session we do that and he would also like to expand the rental program on the pool for weekends and have alternate programs and he discussed different program that we might consider. He stated that he would say this much, that we had generated more revenue in that pool than we have in the past and it has been busy.**

**Mayor Diaz stated that we need to work on getting the swimming lesson going again, that she knew that we didn't this year because we didn't have anybody but did we promote it.**

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**Department 16:**

**Mr. Squyres stated that there were no cars coming out of Department 16, that they had received a grant for three cars and we had budgeted in Capital Outlay for the equipment for the cars.**

**Council Member Robinson ask Chief Ayala how many vehicles did they have involved in wrecks in a year and Chief Ayala advised 3 units.**

**Council Member Rivas ask if this was an average, was he saying that every year we calculate that 3 of the vehicles will be wrecked.**

**City Manager Squyres stated that he thought that one would be more accurate, that there were policies that we needed to refine such as the chase policy and this year we were snake bit, that we had a number of chases.**

**He stated that our Workers Comp had been outstanding this year, that we had only one claim.**

**Council Member Rivas ask how well our police vehicles were equipped as compared to other agencies.**

**Chief Ayala advised that they had all the necessary equipment that we need.**

**Council Member Rivas stated that a bumper guard could always be used.**

**Department 17:**

**City Manager Squyres advised that had capital outlay for ticket writers.**

**Department 18:**

**He advised that this department had a reduction in expenses.**

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**Department 19:**

**He advised there was a reduction in expenditures for this department.**

**He stated that Harris County would be asphaltting 2.3 miles of streets here in the city in September.**

**Department 20:**

**He stated that there was a decrease in expenditures in the Garage Department.**

**Department 21:**

**He advised that we had received a 3.41 increase in trash contract and this would be passed on.**

**Department 22 – Heritage Hall:**

**He advised that the biggest increase says they are being successful, it was in senior meals, they have more people down there than they have in years.**

**Council Member Robinson ask if we had anyone to replace Debbie and Mr. Squyres stated that we were interviewing.**

**Department 23 – Mayor and Council**

**Mr. Squyres advised there was no change in this department.**

**Department 24 EMS:**

**He advised there was one capital outlay item for a 15 Lead Cardiac Monitor with CO Monitoring.**

**Department 25 – Capital Projects:**

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**He stated this department was the large capital outlay items and the first two items were coming out of dedicated funds and everything else there and what they see in all capital outlay in each department is coming out of revenue, we are not pulling anything else out of reserve.**

**There was discussion about the fire station doors and he advised that he did move that to this year's capital outlay budget,**

**Mayor Diaz stated that she was just curious, he had the police department's office supplies at \$10,000 and he had EMS at \$130.00 and office supplies for Department 31 at \$1,750 why was the police department \$10,000.**

**City Manager Squyres advised that in the fire department everything they do is forms that are done on the computer so they don't use a lot of office supplies, the police department uses a vast amount of required office supplies and explained what various supplies are used for in different departments.**

**City Manager Squyres advised that there was a major roof repair at city hall, there was general discussion about the flat roof.**

**Council Member Rivas ask if we had looked at changing the roof structure and what the cost would be.**

**City Manager Squyres advised that we had discussed different options .**

**Kyle discussed the new system they had put on their office roof at public works and that it worked very good.**

**There was discussion on building up the roofs and the cost of moving AC units in order to do this.**

**Department 31 – General Administration**

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**Mr. Squyres stated that as they could see, there was very little change in that department:**

**Department 32 – Water:**

**Mr. Squyres called attention to the increase in water analysis fees, stating that they continue to increase and also the increase in purchase of surface water and that we receive an rate increase from the city of Houston every April.**

**On capital Outlay he explained the cost for the Design Fee for the North Side water mains and Fire Protection Phase 1 and the CDBG Match for Design for North Side water mains Phase 2-4. He stated that they had reduced the emergency water line repair and replacement from \$150,000 to \$25,000.**

**Department 33 – Sewer:**

**Mr. Squyres explained that one of the large increases in this department was Code 6856 Sewer Plat Permit – Collection system Fee and that Kyle had ask for a \$75,000 clarifier but they wanted to wait and see if we can use the \$5,350,417 million for the sewer plant.**

**Department 34 – Mayor and Council**

**He stated there was no change in this department.**

**City Manager Squyres stated that we would probably be having a lot of meeting on the \$5,350,417, that we would have to do an RFQ.**

**Mayor Diaz ask if the council wanted to review the proposed budget they had gone over before scheduling another meeting.**

**Mayor Diaz adjourned the meeting at 7:20 p.m..**

**Respectfully submitted,**

A handwritten signature in cursive script, appearing to read "Joyce Raines".

## LONG TERM INFRASTRUCTURE

NORTH SIDE WATER MAINS & BEYOND



### WHAT HAS BEEN DONE SO FAR?

- 87 CITY BLOCKS SOUTH OF MARKET ST. (INCLUDING ONGOING PROJECT)
- NEW INDIVIDUAL LINES TO EACH METER
- IF METER IS IN REAR, WE MOVED IT TO THE FRONT
- NEW FIRE HYDRANTS ON EVERY CORNER OR WITHIN 500 FT FROM NEAREST PLUG
- CONTROL VALVES ALLOWING ISOLATION OF SINGLE BLOCKS
- TWO CROSS CONNECTIONS TO MARKET STREET MAIN (UNDER RR TRACKS)

### WHAT HAS BEEN DONE SO FAR?

- CITY WIDE
  - ELEVATED TANK REHABILITATION (300K GALLONS)
  - GROUND STORAGE REHABILITATION (1 MILLION GALLONS)
  - BACK UP GENERATORS AT LA CROSSE WELL AND AT WATER PLANT
  - NEW PUMP STATION AT WATER PLANT
  - NEW CONTROL BUILDING AT WATER PLANT

### CDBG GRANT HISTORY

- Good old days** • Apply for grant to design and build water lines each year.
- Pretty Good Days** • Design one year then build the next.
- Today's world of HUD rules** • Design and engineered plans must be submitted with grant application.

### CDBG GRANTS TODAY

- 2019 Design** • 10100 & 10200 Blocks Proposed 2018-2019 Budget
- 2019 Design** • 10300 to 10700 Blocks • CDBG Grant
- 2020 to 2023** • Design and engineered plans must be submitted with grant application.

### PLANNING AHEAD ON TO THE NORTH SIDE

WE JUST APPLIED FOR DESIGN WORK ON 3 YEARS OF CONSTRUCTION  
 WE ALSO JUST PRE-APPLIED FOR 4 YEARS OF CONSTRUCTION FUNDING

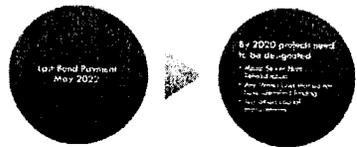
2019 CDBG DESIGN FOR 2021, 2022, 2023 (CONTRACT BOND MARCH 2019)	\$ 282,679
2018-2019 JACINTO CITY DESIGN OF 2020 CONSTRUCTION	\$ 124,743
2020 CDBG CONSTRUCT 10100 & 10200 BLOCKS *	\$ 1,166,122
2021 CDBG CONSTRUCT 10300 & 10400 BLOCKS	\$ 992,472
2022 CDBG CONSTRUCT 10500 & 10600 BLOCKS	\$ 790,042
2023 CDBG CONSTRUCT MARKET ST. & UNION PACIFIC CROSSINGS	\$ 919,202
<b>TOTAL CONSTRUCTION</b>	<b>\$ 3,271,258</b>

\* AND 2021 APPLICATION FOR 21,000 GALLONS PER HOUR PLANS & SPECIFICATIONS



- East of Akron currently not meeting low/mod criteria.
- 2020 census will change the map.
- If needed, we can convert for income data.

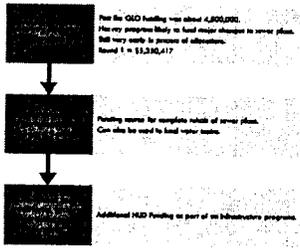
### LONG TERM PLANNING



Laf Fund Payment May 2022

By 2020 projects need to be designated

### LONG TERM PLANNING



Pay for Old Building was about \$100,000. Has very negative history so fund major changes to server plant. Bill very early in process of allocation. Fund 1 = \$1,330,117

Pending server for complete rebuild of server plant. Can also be used to fund server racks.

Additional HD Funding as part of an infrastructure program.