



CITY COUNCIL SPECIAL MEETING

Wednesday, September 01, 2021 at 5:30 PM
202 N. Virginia Street

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 1st day of September, 2021, the City Council of the City of Port Lavaca, Texas, convened in a special meeting at 5:30 p.m. at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following members in attendance:

I. ROLL CALL

Jack Whitlow	Mayor
Tim Dent	Councilman, District 2
Allen Tippit	Councilman, District 3
Rosie G. Padron	Councilwoman, District 4, Mayor Pro Tem
Jim Ward	Councilman, District 5
Ken Barr	Councilman, District 6

And with the following absent:

Jerry Smith	Councilman, District 1
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Constituting a quorum for the transaction of business, at which time the following business was transacted:

II. CALL TO ORDER

- Mayor Whitlow called the meeting to order at 5:46 P.M. and presided.

III. COMMENTS FROM THE PUBLIC

- Mayor Whitlow asked for comments from the public and there were none.

IV. ACTION ITEMS – *(Council will consider/discuss the following items and take any action deemed necessary)*

- Conduct first public hearing on 2021-2022 fiscal year budget. Presenter is Susan Lang**

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, the City is required to hold a public hearing on the 2021-2022 Fiscal Year Budget.

Mayor Whitlow announced that the public hearing was now open at 5:48 p.m.

Mayor Whitlow announced that the first public hearing on the proposed 2021-2022 Fiscal Year Budget was now closed at 5:50 p.m.

Mayor Whitlow announced that only one public hearing is required and satisfies the requirements for a later vote on the first reading of ordinance adopting the annual budget.

Mayor Whitlow also announced that Council will consider the second and final reading of the ordinance to adopt the 2021-2022 Fiscal Year Budget at the regular meeting scheduled for Monday, September 13, 2021, commencing at 6:30 p.m.

No action necessary and none taken.

2. Conduct public hearing on the proposed 2021 tax rate. Presenter is Susan Lang.

Finance Director Lang advised Council that In accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, the City is required to hold a public hearing on the 2021 Tax Rate.

Mayor Whitlow announced that the public hearing was now open at 5:51 p.m.

Mayor Whitlow announced that the first public hearing on the proposed 2021 Tax Rate was now closed at 5:53 p.m.

Mayor Whitlow announced that only one public hearing is required and satisfies the requirements for a later vote on the first reading of ordinance adopting the Tax Rate.

Mayor Whitlow also announced that Council will consider the second and final reading of the ordinance to adopt the 2021 Tax Rate at the regular meeting scheduled for Monday, September 13, 2021, commencing at 6:30 p.m.

No action necessary and none taken.

3. Consider Resolution No. R-090121-1 to adopt a five-year plan (2021-2026) for the Capital Improvement Program (CIP) in compliance with article 7.02(15) of the city's home rule charter. Presenter is Jody Weaver

Motion made by Councilman District 5 Ward

WHEREAS the City Charter requires the City Manager to submit a plan for capital improvement covering the succeeding five years and proposed method of financing to the City Council prior to the beginning of each budget year; and,

WHEREAS the City Manager submitted a Five-Year Capital Program to the City Council on July 26, 2021 in compliance with the City Charter and,

WHEREAS the City Council has reviewed the Five-Year Capital Program, found it to be in compliance with all City Charter and believes its approval by resolution is in the best interest of Port Lavaca residents.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT the Five-Year Capital Program (October 1, 2021 – September 30, 2026), a copy of which is attached hereto and incorporated in the Fiscal Year Budget 2021-2026, is hereby adopted in compliance with the City Charter.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

4. Consider proposed city's compensation plan for the 2021-2022 fiscal year. Presenter is Jody Weaver

Interim City Manager Weaver advised Council of the following:

BACKGROUND:

These are the annual updates to the City's compensation plan that have been discussed and generally agreed to during budget workshops and are presented for Council final approval.

FINANCIAL IMPACT:

With the salary increases implemented in the 2020-2021 fiscal year, the salary of all City employees was brought to at least the minimum level of their salary range, as was determined by a Salary survey completed in January 2021 by Public Sector Personnel Consultants.

This year's budget includes a total of \$219,118.00 earmarked for staff raises (\$254,931.00 salary plus benefits). Each department head is being allocated an amount equal to 5% of their current department base salary expense, in order to provide their employees with raises within their salary range, based upon their job performance, with a 2% minimum increase.

The budgeted full-time positions for 2021-2022 fiscal year are 98 and the full-time equivalent (FTE) part-time positions are 2.83. Note the budgeted full-time positions for the 2020-2021 fiscal year was 92 and the FTE part-time positions was 2.58/ The 2021-2022 fiscal year budget adds six (6) new full-time positions as follows:

- 3 each new Fire Fighters;

- 1 each new Mental Health Police Officer;
- 1 each new RV Park Camp Host; and
- 1 each new Utility Maintenance Worker.

RECOMMENDATION:

Effective October 1, 2021, staff recommends Council approve the compensation plan for the 2021-2022 fiscal year as follows:

- A 5% merit increase amounting to \$219,118 in base salary as presented in the budget
- The creation of 6 new job positions as described herein
- City Headcount is increased to 98 full-time employees and 2.83 FTE part-time positions.

MOTION #1:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, Council hereby approves the 5% merit increase for salaries in the 2021-2022 fiscal year budget to be effective on October 1, 2021 for all employees.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

MOTION #2:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, Council hereby formally adopts the City of Port Lavaca Salary Survey and 2020 Fiscal Year Salary Plan including the summary of recommendations and salary schedule, with the exception that merit increases are effective October 1st of each year instead of employee anniversary date.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

MOTION #3:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT

LAVACA, TEXAS:

THAT, Council hereby approves to increase budgeted full-time headcount by six (6) positions as follows:

- 3 each new Fire Fighters;
- 1 each new Mental Health Police Officer;
- 1 each new RV Park Camp Host; and
- 1 each new Utility Maintenance Worker.

bringing total full-time head count to 98 with 2.83 full-time equivalent part-time workers, and to approve the new job descriptions and revision to existing job description as provided.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

Voting Nay:

Councilman District 2 Dent

Councilman Dent also stated that minutes will reflect that the Police Department Mental Health Officer will make quarterly reports to City Council.

5. Receive certification of additional sales and use tax to pay debt services. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, a governing body of a taxing unit that imposes an additional sales and use tax may not adopt the component of the tax rate of the taxing unit described by Tax Code Section 26.05 (a)(1) until the chief financial officer or the auditor for the taxing unit submits to the governing body of the taxing unit a written certification that the amount of additional sales and use tax revenue that will be used to pay debt service has been deducted from the total amount described by Tax Code Section 26.04(e)(3)(C) as required by Subsection (a)(1).

In 1989, the citizens of the City of Port Lavaca voted to adopt an additional Sales and Use Tax of \$0.005 dedicated to Property Tax Relief. The amount of additional Sales and Use Tax collected for Property Tax Relief is provided to the Tax Assessor/Collector and used to reduce the amount of the component of the tax rate when applied to the City of Port Lavaca.

The Certification, as developed by the Texas Comptroller of Public Accounts, is provided to City Council to satisfy the requirements of the Tax Code.

No action necessary and none taken.

6. Consider first reading of an ordinance (S-1-21) approving the annual budget for the City of Port Lavaca, Texas and adopting the budget document for the fiscal year October 01, 2021 thru September 30, 2022. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, staff has prepared an Ordinance that, if approved, meets the requirements as established by the governing legislation.

On July 26, August 2, and August 16, 2021, the City Council held budget workshops to review recommendations from the City Manager for the FY 2021-2022 budget. The proposed budget was filed with the City Secretary and published on the City's website on August 16th.

On August 16, 2021, the City Council announced a public hearing on the FY 2021-2022 Budget to be held on September 1, 2021. Because the proposed tax rate exceeds the No-New-Revenue rate, legislation considers it a tax increase, and requires special language to be included in the Notice of Public Hearing on the Budget, the front page of the proposed budget and the front page of the adopted budget.

The City published a notice of public hearing on the budget in the newspaper of general circulation (Port Lavaca Wave) on August 25, 2021 and posted the same notice on the City's website.

The budget, as presented in the August 16, 2021 workshop, is recommended for the City Council's approval, and contains combined Revenues of \$30,959,325 followed by combined Expenditures of \$33,054,147 leaving combined Fund Balance reserves of \$12,164,946.

Councilman Dent requested the minutes reflect that in fiscal year 2021-2022 the city is budgeting sales tax revenue differently than in past years. Since about 2003 the city has budgeted sales tax revenue at 95% or a five-year rolling average of previous years sales tax. This year the city is budgeting 100% of 12 months previous revenue.

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED ED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, Council hereby adopts the Fiscal Year 2021-2022 Annual Budget as presented by the City Manager.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves the Fiscal Year 2021-2022 Annual Budget Ordinance (S-1-21) on this its first reading.

Seconded by Councilman District 5 Ward

Voting Yea and Record Vote:

Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Barr

Voting Nay and Record Vote:
Councilman District 2 Dent

Absent: Councilman District 1 Smith,

7. Consider first reading of an ordinance (S-2-21) fixing the tax rate and tax levy for the city for the year 2021. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, staff has prepared an Ordinance that, if approved, meets the requirements as established by the governing legislation.

On August 16, 2021, the City Council took a record vote to propose the same tax rate (\$0.7944) as levied on properties as the previous year. Because the proposed tax rate exceeded the No-New-Revenue rate, legislation considers it a tax increase, and requires a public hearing. City Council announced a date and time for a public hearing on the tax rate to be held on September 1, 2021.

The City published a notice of public hearing on a tax increase in the newspaper of general circulation (Port Lavaca Wave) on August 25, 2021 and posted the same notice on the City's website.

MOTION #1:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, the property tax rate be increased by the adoption of a tax rate of \$0.7944, which is effectively a 6.5% increase in the tax rate.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves fixing the 2021 Tax Rate and Tax Levy Ordinance (S-2-21) on this its first reading.

Seconded by Councilman District 5 Ward

Voting Yea and Record Vote:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

Voting Nay and Record Vote: None

Absent: Councilman District 1 Smith,

MOTION #2:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, City Council adopts a Maintenance and Operations rate of \$0.7308.

Seconded by Councilman District 6 Barr

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

Voting Nay: None

Absent: Councilman District 1 Smith,

MOTION #3:

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, City Council adopts an Interest & Sinking rate of \$0.0636.

Seconded by Councilwoman District 4 Mayor Pro Tem Padron

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

Voting Nay: None

Absent: Councilman District 1 Smith,

8. Consider ratification of property tax increase reflected in the budget. Presenter is Susan Lang

Finance Director Lang advised Council that in accordance with Local Government Code Section 102.007(c) when adopting a budget that will require raising more revenue from property taxes than in the previous year, a separate vote of the governing body to ratify the property tax increase reflected in the budget is required. This vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate.

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, Council hereby approves to ratify the property tax revenue increase reflected in the 2021-2022 fiscal year Budget.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

9. Consider first reading of an ordinance (G-4-21) to make amendments to Appendix A - Fees, Rates and Charges; and providing for an effective date. Presenter is Jody Weaver

Interim City Manager Weaver and staff presented some amendments to Appendix A - Fees, Rates and Charges as Ordinance G-4-21. In Chapter 54, Waterways on the Harbor of Refuge - Use of Rail Spur, the new proposed rate was \$1,000 per month and recommendation was to change that amount to \$833.00 per month, for the second and final reading.

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves amending Appendix A – Fees, Rates and Charges ordinance (G-4-21) on this its first reading with correction to Chapter 54 Waterways as presented above.

Seconded by Councilman District 3 Tippit

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

10. Consider reviewing bids and award construction contract for the 2021 Capital Improvement project (CIP) for East George Street reconstruction. Presenter is Jody Weaver

Interim City Manager Weaver advised Council that the Capital Improvements Projects (CIP) plan for 2020-2021 includes \$880,000.00 to reconstruct George Street from Virginia to Commerce Street. She said that in October 2020 an engineering contract was awarded to CivilCorp in the amount of \$95,000 for this project, leaving \$785,000.00 available for construction.

Staff received two bids as follows:

Lester Contracting, Inc.	\$627,435.25	150 Calendar Days allowed
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Brannan Paving Co., Ltd. \$667,720.35

Staff recommendation is to award to the low bidder, Lester Contracting, Inc. in the amount of \$627,435.25 to be completed within 150 days of receipt of Notice to Proceed.

Motion made by Councilman District 3 Tippit

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby awards a construction contract to Lester Contracting, Inc. for the 2021 Capital Improvements Project (CIP) "East George Street Reconstruction Project" in the amount of \$627,435.25 to be completed within 150 days of receipt of Notice to Proceed.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all instruments necessary to effect such agreement.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

V. ADJOURN SPECIAL MEETING

Mayor asked for motion to adjourn.

Motion made by Councilman District 5 Ward, Seconded by Councilman District 6 Barr

Voting Yea:

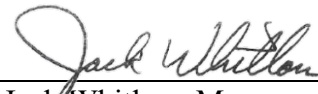
Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 Mayor Pro Tem Padron, Councilman District 5 Ward, Councilman District 6 Barr.

Special Meeting adjourned at 6:29 p.m.

These minutes were approved on November 08, 2021.



Mandy Grant, City Secretary



Jack Whitlow, Mayor