

MINUTES OF SPECIAL CITY COUNCIL MEETING
APRIL 22, 2021- 6:00 P.M.
COUNCIL CHAMBERS IN THE RUHMAN C. FRANKLIN MUNICIPAL BUILDING
303 W. MAIN ST., KENEDY, TX. 78119

MEMBERS PRESENT: JOE BAKER (MAYOR), CINDY SAENZ (DISTRICT 1), JOHN RODRIQUEZ (DISTRICT 2), BRANDON BRIONES (DISTRICT 3), JAMES DOUGLAS (DISTRICT 4), LESLIE WYNN (DISTRICT 5)
CITY PRESENT: WILLIAM LINN (CITY MANAGER), RICHARD ASHE (POLICE CHIEF) JUDY MURPHY

1. Call Special Meeting of City Council to order

Mayor Joe Baker called the meeting to order at 6:00p.m.

2. Call Roll and establish a quorum is present.

Mayor Baker called roll. All members were present.

3. Prayer.

4. Pledge of Allegiance.

5. Citizens Comments. None

6. Presentation of the City of Kenedy's 2020 Annual Financial Report and update on the City of Kenedy Volunteer Fire Department Forensic Audit. (Presenter: Auditor: Donald L. Allman, CPA

Donald Allman, CPA thanked Mayor and Council for the opportunity to do the City's Audit. He also thanked the City Manager and City staff for how easy the fieldwork was able to be done. He pointed out various highlights of the audited financial statement for the year ended September 30, 2020. He started off by giving some of the financial highlights shown on the Management's Discussion and Analysis. The assets of the City of Kenedy exceeded its liabilities at year end by over \$56 million (net position). He mentioned this is largely due to the oil and gas royalty revenue. Mayor Baker questioned page 34 which stated the Mayor prepares the budget. It was clarified that the City Manager prepares the budget. Mayor Baker also inquired about the note disclosure that stated the City's Pledged Collateral is insufficient. Councilor Saenz pointed out that overall, the City is in good shape.

In regards to the forensic audit of the fire department's books, Mr. Allman stated there is not good documentation on deposits and they were not timely done. There are some unknowns and there were missing receipts for expenditures. He noted that there needs to be better documentation. Councilor Wynn asked who is responsible for the fire department's checkbook. Councilor Briones asked if the poor records of the fire department will affect the credit rating of the City. Mr. Allman stated that the City may wish to ask that question of the City's bond advisor.

7. Consideration and possible action in regard to the acceptance of the City of Kenedy's 2020 Annual Financial Report prepared by Donald L. Allman, CPA.

A motion was made by Councilor Wynn and seconded by Councilor Briones to accept the City's 2020 Annual Financial Report. All voted in favor of the motion and the motion passed.

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8. Consideration and possible action in regard to Ordinance 21-07, an Ordinance amending the Adopted Budget of the City of Kenedy, Texas for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021 for the Purpose of Funding Line Items relating to the daily operations of the municipality. (Agenda item as corrected)

Councilor Briones made a motion which was seconded by Councilor Wynn to open item for discussion. All voted in favor and the motion passed. Councilor Briones questioned if the amended budget would include the new street sweeper and asked the city manager if it was competitively priced. He also asked who would do the training. Councilor Saenz asked if the City would keep the old sweeper. The city manager said yes. A motion was made by Councilor Rodriguez and seconded by Councilor Saenz to approve Ordinance 21-07 Amending the Budget. All voted in favor of the motion and the motion passed.

9. Consideration and possible action in regards to authorizing and directing the City Manager to purchase one (1) 800 KW Generator and 1600 Amp Stainless Steel Automatic Transfer Switch to be placed at the Reverse Osmosis (RO) Water Treatment Plant; one (1) 125KW Generator and 400 Amp NEMA 3R Painted Steel Automatic Transfer Switch to be placed at Well No. 14; one (1) 200KW Generator and 400 Amp NEMA 3R Painted Steel Automatic Transfer Switch to be placed at Well No. 15; one (1) 200KW Generator and 400 Amp NEMA 3R Painted Steel Automatic Transfer Switch to be placed at Well No. 16; and all labor, ancillary parts, and contingencies necessary for installation at a cost not to exceed \$850,000. (Agenda item as corrected.)

Councilor Briones made a motion to open item for discussion. The motion was seconded by Councilor Rodriguez, all voted in favor and the motion passed. Councilor Rodriguez asked why only 3 wells would receive an emergency generator. The City Manager responded that they were the highest producers (Well 14, 15 & 16 and the RO Plant). City Manager Linn stated the \$850,000 budget includes 20% for optional items. Councilor Saenz asked what the optional items were. Mayor Baker questioned why Mercer was the only price quote received and the city manager responded that he will actually go out for bids at a later date. Mayor Baker also asked if the wells from the Poth area will have generators. Mr. Linn said yes. A motion was made by Councilor Wynn and seconded by Councilor Douglas to approve the purchase of the generators, transfer switches, etc. for a price not to exceed \$850,000. All voted in favor and the motion passed.

10. Closed Session: City Council will meet in closed session in accordance with the Texas Open Meetings Act, Texas Government Code under Section 551.074 (Personnel Matters) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

A. City Secretary

A motion was made by Councilor Wynn and seconded by Councilor Douglas to go into closed session. All voted in favor of the motion and the motion passed. The regular session ended at 6:55pm.

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11. Open Session: The City Council will reconvene in Open Session at which time action on the matter discussed in Closed Session may be considered.
A. City Secretary: Action to be taken regarding items discussed in executive session.

Mayor Baker called the open session to order at 8:30 p.m. Councilor Wynn made a motion which was seconded by Councilor Briones to discuss this item. A motion was then made by Councilor Wynn to offer the candidate, Ruby Beaven, the position of City Secretary at a salary of \$67,000.00. The motion was seconded by Councilor Briones. All voted in favor of the motion and the motion passed.

12. Items to consider for placement on future agendas.

- Councilor Briones stated Donald Allman, CPA needs to give council an update on the Fire Department Audit.
- Councilor Rodriguez asked for an update on the originally budgeted funds for Mayfest and a suggestion on how the funds can now be used.
- An update of the City's agreement with the Kenedy Volunteer Fire Department needs to be presented
- Councilor Douglas asked for a date to be set for discussing how/when items can be placed on the agenda.
- Councilor Briones asked for an update from Code Compliance in regards to new businesses coming to Kenedy.

13. Announcements of Community interest and/or upcoming events.

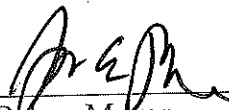
April 30 is the deadline for surveys for strategic plan

14. Adjourn.

Meeting was adjourned at 8:37p.m.



William Linn, City Manager


Joe Baker, Mayor

