

STATE OF TEXAS

COUNTY OF McCULLOCH

CITY OF BRADY

The City Council of the City of Brady, Texas met in a Work Session Meeting on Monday, July 10, 2023 at 10:00 a.m. with Mayor Aaron Garcia presiding. Council Members present were Missi Elliston, Larry Land, Jeffrey Sutton, Felix Gomez and Gabe Moreno. City staff present were City Manager Erin Corbell, Finance Director Lisa McElrath, Public Works Director Steven Miller, Police Chief Randy Batten, and Municipal Court Clerk Valerie Gonzalez, serving as secretary for the Work Session. James Griffin entered meeting at 11:11 a.m.

1. CALL TO ORDER, ROLL CALL & CERTIFICATION OF A QUORUM

Meeting called to order at 10:01 a.m. by Mayor Pro Tem Missi Elliston. Council quorum was certified by Valerie Gonzalez

2. BUDGET WORK SESSION DISCUSSIONS

Erin Corbell opened meeting and explained thumbs up or thumbs down on the supplementals.
Valerie Gonzalez took meeting minutes

Lisa McElrath: Basic Balance Budget explanation.
Mayor Garcia arrived at 10:04AM

Council Member Elliston: Where do funds come from for the General Fund?

Lisa: General Tab (red) listings of revenue stream such as fines, fees, golf, rentals, etc., as well as property taxes and sales tax revenues.

Q Mayor Garcia: Why are our expenses jumping \$3M in the general fund.

A Erin: It's not jumping, it's just what is not covered by our property taxes and why we transfer money from our electric fund to cover our general fund.

Q Council Member Sutton: question on GRW maintenance \$, where does it come from

A Erin: It's covered by General Fund

Chief Appraiser Zane Brandenberger walked into meeting at 10:25AM

Zane: Increase in residential values (\$20M+ estimate only), commercial has not had an increase. Laws limit what local governments can do to get more money, No new revenue rate. 3.5% voter approval rate. \$982,690.42 taxes owed total. Changing from the roll back to the 3.5%.

Jeffrey: what is the 3.5% figured at Zane: it's based on the current year. Recapture is left over from prior year,

Lisa: what about new property? Zane:\$2-3M we take anything new away from last years money.

Council Member Sutton: land sold from the City, should we be looking at Annexing that? If we extend that to the ETJ.

Erin: if we annex properties, we will have to provide services due to the Charter, although there are certain exclusions if we are financially unable to provide the services.

Zane left meeting at 10:49AM

Lisa:

Step Grade Plan highlighted items need to be approved by Council

Q Council Member Moreno: who adopted this scale

A Erin: Dale Brown, former city manager, in 2014

Council Member Elliston: Have we ever considered to graduate to the next step every other year instead of every year?

Council Member Moreno: Are we doing yearly reviews and do they still get a raise even if they have a bad review? Erin we have not gotten one bad enough for them to not get a raise, because the thought process is that if there needs to be performance correction, it should not wait until an evaluation is complete.

Council Member Elliston: It doesn't give an employee incentive if everyone gets the same raise.

Council Member Sutton: it's awkward to give a raise according to their merit because it could be contested. Do these raises in any way tie to the amount the City receives from these funds a year, eventually we won't have the money if we keep going at that 3%.

Erin: it's already figured in each year,

Council Member Moreno: waiting for an evaluation doesn't help. Evaluations are done in January.

Council Member Moreno: certification pay, cell phone allowance, base pay, car allowance adds up.

Council Member Elliston: what constitutes a car allowance? Erin: having to run errands for the city.

Council Member Elliston: Cellphones, are they being paid while they are outside of work? Our staff is working outside of work hours.

Erin: Most of those employees are already salaried.

Council Member Moreno: Then why do they get them if they are already in the office.

Erin: For example, they are out in the field.

Mayor Garcia: Human Resources, why would she need one.

Erin: After hour incidents.

Council Member Moreno: Would it be a liability since pictures are taken on a personal phone (Meter Tech).

Erin: We need to make changes because of the \$100 credit to upgrade phones.

Mayor Garcia: how do we come up with those numbers (cellphone \$)

Erin: It's based on an evaluation of how much the employee is expected to use their cell phone out of office.

Council Member Moreno: he doesn't think it's appropriate if they are already in the office.

Council Member Elliston: Back to the pay step, have we ever considered giving permission to the supervisors for them to decide who gets the raises.

Erin: No.

Lisa: Appreciates the current pay scale.

Erin: standardizes the hiring process.

Lisa: Gives employees an incentive to stay with the City.

Employees can get pay raises as needed so long as it is justified.

Council Member Sutton: People have their favorites, so with the pay scale everything stays equal.

Council Member Elliston: But then you have the split sides, where one works harder, but they all get the same raise.

Lisa: it is the supervisor's job to deal with that.

Council Member Moreno: concerned about employee evaluations not being done correctly.

Mayor Garcia: feels like employees are not doing their job, BYSF not getting trash dumped, Golf facility not getting cleaned up.

Council Member Elliston: Council members had to push for evaluations to get done.

Council should sit on evaluations.

Council Member Elliston: I spend a majority of my time defending staff. It is what we all signed up to do.

Workshops that address these issues are needed.

Council Member Land: City jobs are extremely important. The cemetery groundskeeper is a completely changed man ever since working for the City of Brady.

Erin: He needs more direct supervision, so he is no longer at the cemetery.

Council Member Moreno: Health Insurance is way too high,

Erin: We have a broker who receives quotes for insurance each year, but rates are similar due to the city's loss ratio.

Lisa: We just got the rates, and we will present to the Council.

Council Member Moreno: Will be bringing in brokers next year.

Council Member Elliston: Pay is why we work, but pay is not always what keeps you, we need an employee appreciation.

Erin: Employee Spotlight has been put in place, we try to do fun things.

Council Member Elliston: \$25 gift cards kept in drawer should work.

Council Member Sutton: Council should be at employee appreciation lunches/ functions.

Erin: Employee appreciation line item explanation. Longevity Checks explained.

Council Member Land: Back to the Grade Step schedule, end of the line at step 12, that's the end?

Lisa: Yes.

Council Member Land: Are there several employees over 12 years?

Erin: yes.

Council Member Elliston: does everyone start at step 1.

Erin: it depends on their

experience. Council Member Sutton: 3% every other year is that a topic for discussion. Erin: the step schedule does need a lot of work. Lisa: there was no scale back then. Mayor Garcia: I would love to see a way for people that are going above and beyond to get rewarded such as a 2% on top of that such as our lead customer service rep. Erin: She is on the highlighted area so that she can move up a grade on the scale. Council Member Moreno: Would like to see a time study, what is down time what is up time. Lisa: We did reduce our employee count. Council Member Elliston: Cross training is important. Erin: Our lead customer service rep is stellar and learning permits. Our municipal court clerk is cross trained so that we didn't replace a former full-time employee with someone. Council Member Sutton: Do you have the freedom to move around employees as needed. Do you feel like you have the freedom to bump them up or approach us for raises. Erin: Council would need to approve these changes for the budget. Council Member Sutton: Do you feel comfortable coming to Council? Erin: Yes. Council Member Elliston: First Responders are underpaid and would like to see it changed. Erin: Electric department needs an increase. A lot of the superintends are at retirement age. Mayor Garcia: what does it take to be an electric department superintendent. Steve Miller: TML website, Joe putting out feelers to see if we get any attraction. It's a serious crisis that is coming up. Mayor Garcia: Can we not get a succession plan in place. Erin: I've asked the superintendents to create those plans. We can try to time share an employee from Coleman. The City Manager in Coleman has been great and being able to provide that for us. Erin: the other crisis, we are close to getting the water treatment plant and we have gone through 3 operators. We can get a consultant but that's pricey. Steve Miller: we lost our licensed operator; we may need to stop the production. It is a very serious situation. It would be more costly to keep going without a licensed operator. Lisa: There is not really a solution that we can get at this time.

James Griffin entered meeting at 11:11AM

Lunch QA with Superintendents

Mayor Garcia: What are any areas that we could help you with?

Jim Kidd: Turnover

Council Member Gomez: We appreciate y'all keeping the City going through the weekend, staffing is our concern as well.

Council Member Elliston: is staffing your biggest concern?

Manny Perez: We could get a couple of more employees

Jim Kidd: If someone misses a day of work, another position goes without a person.

Danny Galindo: Turnover is an issue. They want the money without putting in the work.

Jim Kidd: It's the new generation.

Council Member Elliston: Do y'all have your line ups for when you retire

Jim Kidd: Brandon Roberts

Manny Perez: Daniel Solis, but we need more drivers with CDLs because the City doesn't match

Erin: There is a proposal to send them to school to get their CDLs. Joe can send someone to lineman school

Council Member Elliston: we can give them a longer contract for them to have to stay with the City

Council Member Moreno: Annual Reviews? Are there any disciplinary actions?

Jim Kidd: Evaluations used to go through raises.

Council Member Moreno: I think we need to have merit raises?

Council Member Elliston: would you prefer the current step raises, or would you rather have merit raises?

Gary Jacobson: We would need to get employees to stay here.

Erin: on our evaluation forms, should we add a line asking about raises?

Danny Galindo: Gas employees need to have certain trainings, and they get evaluated and they need to be

retested to make sure that they know what they are doing, and that is how I evaluate mine.

Mayor Garcia: What can City Hall do to make your job better?

Joe Solis: my department wants higher starting pay, when that's just not possible.

Erin: Coffee with the Mayor and City Manager has been brought up, where we can invite different superintendents.

Council Member Elliston: How do we get people to get involved? We have requested to have a work session with the superintendents.

Budget Meeting resumed at 1:00PM

Erin: Do you want me to make changes to the grade step plan?

Council Member Moreno: yes, expand the way the divisions are broken up.

Lisa: We would like to add one certification to this list. Permit technician certificate.

Council Member Moreno: Is there a reason why we don't roll this into their salary.

Erin: so that way it goes as a separate line item on their pay stub. If it is rolled into salary, it is a minimal amount, but if it's added as a separate line on their paycheck, it's easier for the employee to be reminded that we are compensating them for continuing to improve performance through certifications.

Council Member Moreno: What is standby pay? Erin: pay for them to be available on call.

Lisa: I will bring this back up in August.

Review the remaining appendix, Tab E (By division and fund), Tab F,

Council Member Moreno: wants to go over each item.

Lisa reads:

- Pay Step Schedule Change
- Ramp Grant (50/50 grant up to \$100K)
\$250K for replacement of the Fuel Farm
Council Member Elliston: is there anything in place for us that legally binds us to need to have the airport open. Lisa: When we approve ramp grants, we need to stay open for 20 years, we believe, from the acceptance of that grant. The airport is my first choice when cuts come into place.
Council Member Land: Speaks up in favor of the airport.
Council Member Sutton: Speaks up in favor, due to the military drills.
Council Member Moreno: It only benefits a certain class of citizens.
Council wants to verify the number of years that we would have to stay open.
Council Member Land: The airport has a nice piece of land that can be utilized by aviation businesses.
Erin: Lloyd Perrin, do you have the resources to handle a Jet Crash
Chief Perrin: No, but we would have to figure it out.
 - Lisa Perry came in to speak for the airport 2:05PM. Our current fuel farm equipment is not compliant, tanks that have not been inspected in over 20 years. \$250K is just for one

AvGas, we sell more jet fuel, but we have more compliance and safety risk on the AvGas. We have been getting big business jets. We have gotten bigger ones than we are supposed to. Clarification on supplementals. There is no fund money at the moment. TxDot might have some federal funds available soon. Mayor Garcia: What do you do to make the fuel farm in compliance. Lisa: we are non-compliant in many ways and will need to do upgrades. Obligation for Ramp Grants are 20 years from the date of last year's Ramp Grant. Lisa: South End drain ditch. Council Member Moreno: if we approve this, what else are you going to ask for next year? Lisa: If I can get the self-serve fuel, I shouldn't need to ask for anything extra for the next 2 years. With the fuel farm we will only be in compliance with the Avgas not the Jet Fuel, but Jet Fuel is not self service. Driving up from Menard is very counterproductive. Council Member Gomez: Is there a log sheet so we can see how many customers we have a month? Lisa: I have to compete with self-service fuel and full service fuel. Council Member Elliston: How long until we see a return on investment? Lisa: That is hard to predict, people are not flying as much, I know we need self serve, I know we have compliance issues. My fear is the City is going to be on the hook if we have a failure. Council Member Elliston: What kind of fines are we looking at if we get caught? Erin: it's hard to say, but there are TCEQ compliance concerns. Lisa: We are not addressing everything in one year, it's not possible. We have not had big spills, we have not had an emergency landing. We have been able to avoid issues which minimizes TCEQ review. Pavement is in good shape, the lights are good, the fuel farm is something we really need. Council Member Land: Grants will be until the end of the year? Lisa: It won't be until September or October, and we won't know for sure if we'll get it. Council Member Land: The fuel farm with the restroom, is there a portable room that can be used as a lounge? Lisa: we are planning to put dead bolts into the offices. The restrooms won't have heat or a/c but they are not portable toilets.

- Purchase of Election Equipment
 - Council Member Elliston: We would have to lease the equipment or get on the county's elections. Can we get other quotes for leasing? Erin: yes, this request is based on purchasing. Council Member Sutton: I am curious to hear if they'll give us a cheaper buy in. Erin: There will have to be additional training that Tina would have to do. Mayor Garcia: Even if we do a Charter Review we will still need to have an election in May. Council Member Moreno: would \$25K be sufficient to cover the equipment. Erin: I prefer \$30K, but we will need to verify with Tina when she returns. Mayor Garcia: We will vote for \$30K.
- Replacing the servers at the Fire/EMS
- Replacing the server at the Police Department
- Electric Division- Pole and Cross Arm Replacement Program
 - Miller: We started this 4 years ago, LCRA through our cooperative agreement, we can assign this work to the TechLine company. This is the last year we can do this without the bidding process. This year we probably exceeded the 10 pole replacement. It has been a

very successful program. \$100K is already in the electric department budget.

- Water Sewer Fund-New rubber tire backhoe, (hydraulics are failing on the current one)
 - \$90K price range
- Gas meters
 - Council Member Moreno: could they continue to read manually? Lisa: I think we would need to have Letha explain things. I would have to talk to George. The potential sale of that gas system. George currently reads some of these meters manually. Mayor Garcia: If we sold, would they have to come in and put on their own meters? Lisa: That would not mean that we don't have value for our meters. Erin: They would probably open a local office and retain most of our employees. Lisa: Gas is barely paying for itself. When we lost all the gas plants, that is what negatively affected us.
- Gas- purchase of a new rubber tire backhoe, Work Session for the gas is needed Removing this item from the budget
 - Council Member Moreno: We should just buy one versus two if we are thinking about selling. Mayor Garcia: Why are we here talking about purchasing this equipment if we are planning on selling the gas department. Erin: If we are going to fast track this sale, then we need to set money aside for a consulting firm for the sale. Council Member Elliston: Money for the election equipment that is left over could be used to get the consulting firm for the sale. Miller: We need to show them a background so that they can see what they are looking at in value and will the voters let us sell. The bottom line, we can not afford this gas system due to the corrosion of the lines. Erin: It will be at least two years before the sale can even be done. Mayor Garcia: What are we doing today with these meters? Erin: The current meters are failing already and there will be more meters that would need to be read manually. Miller: Gas is too rotten, we need to let it go. Substation sale: LCRA maintenance of the substations. Erin: There are no glaring benefits for us to own our own substations. We buy wholesale from LCRA and NRG. Council Member Sutton: would it be best to take the vote? Or get a new vote? Erin: We would need to receive RFPs. Council Member Elliston: Will we lose control over everything? I want to know all the details before this gets done. Erin: We will not have a TO at the end of the contract and fines are about \$30K a day. Lisa: Not having the substation will not cause us to lose control. Everybody has to have communication with ERCOT, folks manning those stations are expensive. The substations are only adding liability. Council Member Elliston: what is the price of the contract? Erin: The last preferred offer was a \$350K pay out. Council Member Moreno: why wasn't this done yet? Erin: the City and LCRA never came to an agreement. Miller: at the time we had a gentleman that provided a service to the City who found many errors and found that the contract could not be read correctly. We wanted to make sure we were protected, and we were not. Lisa: it took a few years to see if we could get the rules changed, and that didn't change. Cities are starting to get fined. We have run out of time, and now we are back again with this decision. They want book value, and we need to sell

at fair marketing value.

The council chose not to pursue the backhoe for the gas department due to the possibility of selling the gas system.

- Server for Utilities
- Renew lease contract for a compactor and elevating scrapper
 - Erin: these are the pieces of equipment that are causing the change of landfill hours. Miller: there is a CAT mechanic coming out. Council Member Elliston: are these prices added in the base budget already? Erin: Yes, but you won't see it in the supplemental because it has already been approved. Mayor Garcia: Where are we on the supplemental TCEQ project? Erin: project is worth x amount of money to be done instead of a fine, but we have not heard back from TCEQ as far as approval goes.

Lisa: End of Base Budget Supplementals.

Capital improvement plans, Fee Schedule,

Erin: page 13 \$10 tarp fee, and Council Member Ellistoon wants to talk about the Civic Center rental fee.

Council Member Sutton wants to discuss tap fees. Council Member Sutton: What is the cost of a pickle ball court Erin: \$200K

Council Member Moreno: would it not be better to pay for backhoes in cash. Lisa: Explained that the interest rate at which we are earning revenues is our depository accounts makes up for high interest rates in loans at this time.

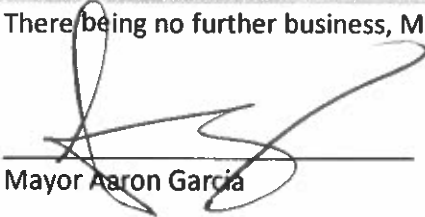
Interlocal agreement with the VFD needs to be written.

Council Member Elliston: Child welfare board would like to have funds allocated for that and an interlocal agreement. Council Member Moreno is concerned that continuing to support entities like the Child Welfare Board will bring more requests from non-profits for financial support.


Budget Meeting is now in Recess until Thursday at 9AM

3. ADJOURNMENT

There being no further business, Mayor Garcia adjourned the meeting at 4:25 p.m.



Mayor Aaron Garcia

Attest: 

Tina Keys, City Secretary