

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
March 25, 2014

The Farmersville City Council met in regular session on March 25, 2014 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Helmberger, John Klostermann, Michael Carr, Michael Hesse, Russell Chandler and Jim Foy. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, Fire Chief Kim Morris, City Attorney Alan Lathrom, Finance Director Daphne Hamlin, Librarian Trisha Dowell, Main Street Director Adah Leah Wolf and City Secretary Edie Sims.

Item I) CALL MEETING TO ORDER, ROLL CALL

Mayor Helmberger called the meeting to order. Edie Sims called the roll and announced a quorum was present. Mayor Helmberger welcomed all guests and visitors. Matt Stuffer, pastor of Trinity Baptist Church, offered the invocation with Mayor Helmberger leading the audience in the Pledge of Allegiance to the American Flag.

During the announcement section, Mayor Helmberger read "Kenny Edwards Day" Proclamation for March 30, 2014 and invited all to attend this occasion commemorating Kenny Edwards. Mayor Helmberger also announced the Chalk the Walk event on April 5th.

Item II – A) ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REMOVING THE ELECTRIC SURCHARGE RATE

City Manager Ben White stated the Electric Surcharge was put into place January 8, 2013 to allow funds to accumulate for the operations and maintenance of the electric utility. This was also a mechanism to allow funds to funnel directly into the City of Farmersville for the electric utility without sharing those funds with Sharyland. The Electric Surcharge has been included in the overall electric rates to be presented at another item on the agenda. Jim Foy impressed the reason to institute this surcharge was to raise \$450,000 for the maintenance of the electric system for a minimum of 3 years. Since the surcharge rate was temporary, Mr. Foy expressed it made sense to leave the surcharge in place, just not charge the rate at the present time. Council concurred this would be a fair evaluation and can eliminate the surcharge at a later date. Mr. Foy also stated by leaving the surcharge, it would allow comparison of other electric providers on an equal playing ground, apples to apples. Council concurred not to approve the ordinance and thereby not taking action on this item.

Item II – B) SECOND READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE MASTER FEE SCHEDULE REGARDING COMMERCIAL REFUSE CUSTOMERS

With Council approving this ordinance at the first reading, Mayor Helmberger stated by passing this ordinance, the City will be out of the roll-off business. John Klostermann motioned to approve the second reading of the ordinance as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler

abstained and Jim Foy yes. Motion passed with majority Council approval, 4 yes and 1 abstaining.

ITEM II – C) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE AMENDING CHAPTER 74, ENTITLED “UTILITIES,” OF THE FARMERSVILLE CODE OF ORDINANCES BY AMENDING THE TITLE OF ARTICLE II TO READ “WATER, SEWER AND ELECTRICAL CHARGES,” BY AMENDING SECTIONS 74-79 THROUGH 74-81, AND BY ADOPTING A NEW SECTION 74-94 AND A NEW SECTION 74-95, ALL OF WHICH AMENDMENTS ARE RELATED TO THE CITY’S MAINTENANCE AND OPERATION OF THE CITY’S ELECTRIC UTILITY

City Manager Ben White presented the utilities ordinance as it relates to the electric rates. The electric rates are arranged with the appropriate uses including residential, small commercial and large commercial rates. The surcharge will remain intact per the Council action at an earlier item on the agenda. Power Cost Adjustments and Tax Adjustments are included in the ordinance presented. Large commercial rates have a flat rate included in the rate.

Security lights have a charge included in the ordinance. Mr. White recommended future lights be installed only in the public right-of-way and get out of private spaces. Mr. White encourages homeowners or property owners to pay for security lighting through their electric bill and not have the City pay a “street light” charge unless the street light is in the public right-of-way. Some customers presently have security lights that will be grandfathered from this ordinance. Mr. White’s contention stems from the City’s growth. The City can provide security lighting but the City must not be changing out bulbs on a continual basis. For clarification, if a security light hangs in the public right-of-way, the customer will pay \$12 monthly fee for this lighting. If the security light goes beyond the public right-of-way, the customer will need to hire an electrician to have the lighting installed and it will run through their meter.

Mr. White stated he reviewed all the information with McCord Engineering. The surcharge was not taken into account during the review process. The Power Cost Adjustment was covered by McCord and the calculation is confirmed for this adjustment.

Mr. White indicated the line extension policy was very good and clears situations so the City does not foot the bill.

In regard to large and primary service line extensions, the Aid-In-Construction would be commensurate with other electric utilities. After the meter is installed, the Aid-In-Construction would be reimbursed and not paid up-front. Jim Foy stated the PCRf (Power Cost Recovery Factor) is confusing, and questioned if this charge was renamed PCA (Power Cost Adjustment). Mr. White will have McCord clarify for proper terminology and will have this information at the second reading.

Mayor Helmsberger expressed the critical timing to have all corrections made as the City is taking the utility over on April 15th. Mr. White indicated staff has been working diligently to have all customer data entered into our Incode system.

Jim Foy motioned to approve the ordinance with changes including clarifications of the fees to be in the Master Fee Schedule and not in the ordinance and to include the

corrected rates. Russell Chandler seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM II – D) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE MASTER FEE SCHEDULE REGARDING ELECTRIC SERVICE FEES

Mayor Helmberger recommended the Council take no action so that all areas of the Master Fee Schedule will be correct with the electric fees per the item above.

ITEM III – A) CONSIDER, DISCUSS AND ACT UPON CITY FINANCIAL REPORTS

Mayor Helmberger questioned the \$566,000 negative figure for the Grants category. City Manager Ben White confirmed that \$148,000 has been paid through the Collin County Open Space grant that is not reflective on the report. Texas Parks and Wildlife has confirmed payment of \$158,811 which is in process through the Texas Comptroller. Safe Routes to School project funding will be in constant rotation, so we should see our first reimbursement from TxDOT on April 10th.

Mayor Helmberger questioned the account labeled 2005/2006 C/O whether the balance of \$3,758 is accountable to the old Certificate of Obligation. Daphne Hamlin, Finance Director, stated these funds need to be moved to another account and this account zeroed out and closed.

City Manager Ben White indicated the electrical fund has been roughed in without a budget amendment. An official budget amendment will be presented to the Council when all figures are finalized for the electrical fund. The electrical charts presented were without the Electric Surcharge Fee as it was expected to be repealed.

Jim Foy questioned the final payment from Sharyland and when that payment would be received. Mr. White reported the payment will be included when we true-up all the financials with Sharyland most likely in June and Mr. White will ensure all the figures line-up correctly.

John Klostermann motioned to approve the financial reports as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – B) RECEIVE, DISCUSS AND ACT UPON AUDIT FOR 2012-2013

City Manager Ben White recommended the Council table this item as the auditor was not present for a discussion of the audit. Jim Foy motioned to table this item with Russell Chandler seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – C) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION DESIGNATING A REINVESTMENT ZONE FOR COMMERCIAL/INDUSTRIAL USES IN THE CITY OF FARMERSVILLE

City Manager Ben White recommended this item be tabled as the Reinvestment Zone must be designated by ordinance and not by a resolution as was presented.

Michael Hesse motioned to table this item with Michael Carr seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – D) RESOLUTION SUPPORTING THE TRANSPORTATION INVESTMENT GENERATING ECONOMIC RECOVER GRANT CYCLE VI (TIGER) GRANT FUNDING

After a short discussion, Jim Foy and Mayor Helmberger agreed an amendment should be made to the resolution stating, "...with the City of Farmersville Thoroughfare Plan that was adopted on July 13, 2014 and as most recently amended on February XX, 2013." Jim Foy motioned to approve the resolution with amendments. John Klostermann seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Car yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – E) CONSIDER, DISCUSS AND ACT UPON AN AGREEMENT BETWEEN THE CITY OF FARMERSVILLE AND THE FARMERSVILLE RIDING CLUB FOR THE USE OF THE CITY OWNED ARENA

With no changes to the agreement from last year, Michael Carr motioned to approve the annual agreement as written between the City of Farmersville and the Farmersville Riding Club with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – F) CONSIDER, DISCUSS AND ACT UPON A CONTRACT WITH CAPPS-CAPCO FOR THE SYCAMORE STREET 12" WATER LINE PROJECT AS CONTRACTOR ON PROJECT

City Manager Ben White indicated the first part of the process is to present a contract with Capps-Capco for the Sycamore Street 12" water line project. Eddy Daniel, City Engineer and the bonding company have recommended this company as the lowest bidder for the project. The Council awarded the bid at the last Council meeting. Russell Chandler motioned to approve the contract with Capps-Capco as presented with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – G) CONSIDER, DISCUSS AND ACT UPON A CHANGE ORDER FOR THE SYCAMORE STREET 12" WATER LINE PROJECT

The Change Order presented decreased the original budget to \$391,467.31. The Change Order accommodates the changes required through the bonding company. Russell Chandler motioned to approve the Change Order as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – H) CONSIDER, DISCUSS AND ACT UPON THE PLACEMENT OF DUMPSTERS INCLUDING ACTIONS TAKEN AND POSSIBLE RECOMMENDATIONS FOR IMPROVEMENT

Police Chief Mike Sullivan spoke to the Council regarding issues with dumpsters being located within the City's right-of-way. The Vet Clinic has had their dumpster moved into their private property. Chief Sullivan is still working with James' Auto Shop on McKinney Street. Mr. James Moody wanted the dumpster further into his property, but has not been successful with Progressive to have the dumpster placed where he wanted it located. Farmersville ISD moved the dumpster at Tatum Elementary so that the Safe Routes to School project could continue. The dumpster located at the Field House is believed to be in the County's jurisdiction. The school stated if the dumpster is located within the City, they will move it. The dumpster at the Intermediate School has been taken care of and moved to the back of the structure.

Classique Printers has a unique situation as there is no room for a dumpster to be at any other location and the location presently is inside the public right-of-way. The dumpster for the IOOF Cemetery was located at the far back of the property and has been moved closer to the front area for easier access and away from the public right-of-way. Most of the existing issues have been rectified per Chief Sullivan.

The problem existing for us to date remains the setbacks as there are none regarding dumpsters or other items within the public right-of-way. The City does not have a definition or penalty surrounding this issue. In lieu of future growth, the Council may wish to consider an ordinance with a penalty to allow Code Enforcement to pursue.

Mayor Helmberger stated he agreed the City needs to pursue avenues to rectify these issues. The dumpsters are an eyesore, smell, but mostly are a safety issue when being loaded or unloaded. Presently the only way to enforce the issue would be to have an ordinance through zoning; the existing dumpsters would be grandfathered. There are nonconforming rights that will need to be addressed. There are arguments of a dumpster not being a structure and therefore needs to be defined. Mayor Helmberger requested this item be brought to the next agenda for further discussion.

ITEM IV) EXECUTIVE SESSION – DISCUSSION OF MATTERS PERMITTED BY THE FOLLOWING SECTIONS OF TEXAS: 551.074 OF THE TEXAS GOVERNMENT CODE REGARDING POSSIBLE ACTION REGARDING PERFORMANCE EVALUATION OF THE CITY MANAGER

At 7:26pm the Council went into Executive Session.

At 8:01:16 the Council came out of Executive Session and took no action.

ITEM VI) REQUEST FOR CONSIDERATION OF PLACING ITEMS ON FUTURE AGENDAS

Michael Carr requested the Council discuss the City's policy for safety of employees. No one else requested items for future agendas.

ITEM VII) ADJOURNMENT

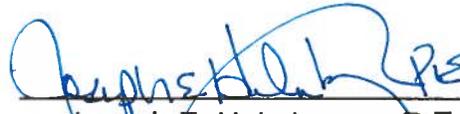
Council adjourned at 8:02:03pm.

APPROVED

ATTEST



Edie Sims, City Secretary



Joseph E. Helmberger, P.E., Mayor

