

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
June 10, 2014

The Farmersville City Council met in regular session on June 10, 2014 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Helmberger, John Klostermann, Michael Hesse and Jim Foy. Council members absent were John Politz and Russell Chandler. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, Fire Chief Kim Morris, City Attorney Alan Lathrom, Finance Director Daphne Hamlin, Assistant to the City Manager Paula Jackson, Court Clerk Christi Dowdy, Warrant Officer Rick Ranspot, Librarian Trisha Dowell, 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. Rick Ranspot offered the invocation with Mayor Helmberger leading the audience in the Pledge of Allegiance to the American Flag and the Texas Flag.

Mayor Helmberger proclaimed June 21st as Audie Murphy Day and noted the activities to include a fly over, parade and roll call of local veterans.

Mayor Helmberger announced the annual Fire Department's Sparks of Freedom event at Southlake Park on July 4th.

Item II) CONSENT AGENDA

Mayor Helmberger asked Council if any items needed to be pulled for discussion and consideration. Jim Foy requested Item A – City Council Minutes be pulled. Mayor Helmberger requested Item C – Code Enforcement/Animal Control Report, Item D – School Resource Officer Report and Item H – Public Works Report be pulled. With no other items being pulled for discussion, John Klostermann motioned to approve Items B, E, F, G, I and J with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item A – City Council Minutes: Jim Foy requested a change to the May 13th minutes regarding Item VII – F to strike “No further action was taken by Council.” Jim Foy stated he motioned to approve the amendment and a second was made and needs to have the second motion inserted. Mayor Helmberger stated on the same minutes from May 13th, a clarification needs to be included regarding the residency requirements for the Parks and Recreation Board and Senior Citizens Advisory Committee. The residency requirements have been extended to only two members who live outside the City Limits of Farmersville.

Mayor Helmberger requested a change to the May 27th minutes to reflect the time the meeting began was 6:18 due to the lack of a quorum. On the same minutes, page 4 regarding the hazardous household waste, a clarification needs to be included regarding the additional charge for this service to be \$0.50 per household per month with \$0.06 being added to CWD's charge for administrative costs.

Mayor Helmberger also requested a change on page 5 of the May 27th minutes to strike "believes" from the second paragraph and have the statement read, "Mayor Helmberger knows this Order hurts the ability to have such events downtown."

On the same minutes, Mayor Helmberger requested a change to reflect "the ditch North of Houston Street was taken out during construction which took overflow water 'to' the Chaparral Trail" instead of 'from.'

With no other changes requested, Michael Hesse motioned to approve the minutes with the changes as requested. Jim Foy seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item C – Code Enforcement/Animal Control Report: Mayor Helmberger stated he wants the brush cleaned up around town. The City spent a large sum on the cleanup after the ice storm. Many took advantage of the City and now brush is piled up after the wind/tornado storm. Mayor Helmberger had requested an investigation be performed by Code Enforcement resulting in 100 residences with a Notice of Violation being issued. Per Chief Sullivan, tickets will be written if not compliant with the Notice of Violation timeline given.

City Manager Ben White has requested several groups to come together and volunteer their time, vehicles and trailers to go around town picking up the brush and hauling to the Spain Athletic Complex. The chipper will be located at the Complex and manned by City employees to chip all the limbs and brush brought to the location. Volunteers will be working Friday June 13th and Saturday June 14th. All volunteers will meet at the Onion Shed at 8am and be given instructions per Mr. White. No limbs will be accepted over 6" in diameter. The residents will be responsible to have large limbs and stumps removed.

Chief Sullivan expressed concern the City is sending mixed messages. Mayor Helmberger stated it is time for all the brush to be removed. John Klostermann motioned to approve the Code Enforcement/Animal Control Report as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item D – School Resource Officer Report: Mayor Helmberger requested an update when school is over. Chief Sullivan reported the SRO Officer is on patrol now that school is out. Michael Hesse motioned to approve the School Resource Officer Report with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item H – Public Works Report: Mayor Helmberger questioned why there are not improvements on street projects. City Manager Ben White informed the Council the subcontractor who prepares the base for the asphalt overlay stopped working on the project. There was an issue between the contractor and the subcontractor. Negotiations are being had with Axis Contracting, Inc. to do the curb work after the Safe Routes to School project is complete. Axis Contracting has had very little complaints

with residents during construction of the Safe Routes to School project while the subcontractor for the street overlay project has had continual complaints. The main contractor is being held responsible and will clean up all areas including the lot across from Trinity Baptist Church. The subcontractor used the empty lot as a dumping ground and was not given permission to do so. Michael Hesse stated he has a recommendation for excess dirt to be dumped to alleviate a mosquito problem. Mayor Helmberger expressed concern of a completion date. Mr. White stated a true end date has not been given as this project was a lump proposal for all the overlay jobs. If the contractor walked off the job, he would be negligent for completing the project only with no recourse. Mayor Helmberger was dispirited as it seems streets are not being finished. Jim Foy motioned to approve the Public Works Report as presented with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item III) INFORMATIONAL ITEMS

Council did not request further information or clarification regarding Informational Items.

ITEM IV – A) SECOND READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE AMENDING THE RESIDENCY REQUIREMENTS FOR THE PARKS AND RECREATION BOARD AND THE SENIOR CITIZENS ADVISORY COMMITTEE

Council approved the first reading of this ordinance at the last meeting in May. With no further discussion, John Klostermann motioned to approve the ordinance upon second reading with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – A) CONSIDER, DISCUSS AND ACT UPON A MARKET ADJUSTMENT FOR PROGRESSIVE WASTE SOLUTIONS

Dick Demein, representative for Progressive Waste Solutions, came before the Council and stated the contract allows for an annual increase over the previous year regarding the Consumer Price Index (CPI) increase. Progressive has made a request of 1.04% increase which is \$0.10 increase bringing Progressive's monthly residential charge to \$10.02.

Presently we are in year three of the contract. Jim Foy confirmed and motioned to approve the \$0.10 increase with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – B) CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGARDING SPECIAL EVENTS WHERE ALCOHOL MAY BE SERVED

Mayor Helmberger opened this item and stated the Council is not in a position to act, but only to discuss and give guidance. City Attorney Alan Lathrom provided Council with potential ordinances and license agreements. The first proposed ordinance, Section 60-1 Purpose has several references to the film industry.

Farmersville has been designated as a Film Friendly City. Per Mr. Lathrom, having the film industry included allows expansion to TV shows, entertainment or maybe have workshops. Mr. Lathrom indicated on page 3 of the proposed ordinance details an established special events and page 4 defines a special event. The ordinance presented gives more priority to reoccurring events that have a tracking record. There are also specifications for a defined area and fire access and includes where Police Officers are to be stationed so alcohol does not go beyond the designated areas. Mr. Lathrom stated the cities of Forney and Flower Mound utilize a similar ordinance. Mayor Helmberger stated the ordinance is well thought out and a good starting point for Farmersville. The ordinance presented is stricter than what is presently enforced. Mr. Lathrom stated the ordinance protects the City and gives a good framework for the Police and Fire Departments. The site plan requirements can be modified. Vendors selling food should already have health code approvals. The entirety of the proposed ordinance is to protect the citizens. Jim Foy stated the concessions should be approved by the City.

Insurance questions were raised regarding specific events that are reoccurring, such as Old Time Saturday and Audie Murphy Day, if insurance would need to be obtained. Parades are also included as special events. Jim Foy stated the Council should spend time on this topic and have a workshop at the next meeting. Council concurred to continue this item to the next meeting.

ITEM V – C) CONSIDER, DISCUSS AND ACT UPON AWARDING THE 12" WATER MAIN AT BOB TEDFORD DRIVE PROJECT

City Manager Ben White stated a bid opening was held regarding the 12" water main project at Bob Tedford Drive with seven bids being received. The lowest bid was Capps-Capco Construction Company of Tyler for \$89,114. They are the same company who are installing the 12" water main on Sycamore Street. The contractor has 60 calendar days to completion once the contract has been signed. Mayor Helmberger asked if a clause is stated in the contract regarding liquidated damages, with Mr. White expressing yes. Michael Hesse motioned to award the project to Capps-Capco Construction Company with John Klostermann seconding the motion.

Jim Foy asked where the line is located with Mr. White stating from the West water tower to Highway 380. Currently the water flow is restricted due to an 8" water line. The project will improve water flow and pressure. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – D) CONSIDER, DISCUSS AND ACT UPON CONTINUED PARTICIPATION WITH ATMOS CITIES STEERING COMMITTEE AND AUTHORIZING PAYMENT OF \$0.05 PER CAPITA TO THE ACSC TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORP

City Manager Ben White indicated the City has been a member of the Atmos Cities Steering Committee for several years and this is an annual recurrence. Jim Foy motioned to approve the resolution for continued participation with ACSC with John

Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – E) CONSIDER, DISCUSS AND ACT UPON AN AGREEMENT BETWEEN INDEPENDENT BANK-FARMERSVILLE AND THE CITY OF FARMERSVILLE REGARDING STREET LIGHTS

Mayor Helmberger opened this item stating the Interlocal agreement needs to be clarified showing “parking lot lights” and not “street lights.” Section 3 also needs clarification to state the City will install replacement lamps, ballasts and photocells provided by the bank and the bank’s expense of the product. The City will only offer labor.

In the past, Sharyland replaced the bulbs at no cost; however, the City is not in the business to replace bulbs at no cost, especially for lights on private property. Jim Foy noted the agreement is specific and clearly written for public use. Jim Foy also questioned if photocells are part of the lighting mechanism. Mr. White will clarify but most common photocells have LED. Alan Lathrom, City Attorney, stated he could change the agreement to replace the integral component parts of the lamp head. This item will need to be brought back to the Council at the next meeting.

ITEM V – F) CONSIDER, DISCUSS AND ACT UPON ADOPTING A RESOLUTION TO AMEND THE PERSONNEL POLICY REGARDING A UNIFORM POLICY

City Manager Ben White offered the uniform policy to clarify some items regarding Public Works and specifically Farmersville Electric. There are specific items which the City of Farmersville funds and others the employees are responsible for purchasing and maintaining. The City has implemented a work boot allowance which is the only change that the City currently does not implement. High visible vests will now be a standard as well as other safety equipment. Jim Foy motioned to approve the Resolution as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – G) CONSIDER, DISCUSS AND ACT UPON HEALTH INSURANCE FOR CITY EMPLOYEES

Finance Director Daphne Hamlin discussed the health insurance documents with the Council informing the time frame for having the contracts has changed due to Obamacare. TML has implemented an increase from 3 – 17% depending on the plan of insurance. There are six plans to choose from and employees must be enrolled by October 1st. TML manages and assists with the employee health care and administers the Health Care Act. Jim Foy stated the documents are a boiler plate that are signed every year. John Klostermann motioned to approve the agreements/documents as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – H) CONSIDER, DISCUSS AND ACT UPON CLARIFICATION OF DRIVEWAY APPROACHES, DRIVEWAYS AND PARKING HAZARDS AND ISSUES

City Manager Ben White brought this item before the Council due to issues that arose from the Hamilton Street overlay project. Mr. White stated he would like to have an ordinance that gave better rules regarding driveways. There are properties that have rock as a side entrance for equipment storage. Other areas have multiple driveways where there is more of a parking lot situation instead of a front yard. Some have four entries which seem too much. Mr. White stated he would appreciate working with the Planning and Zoning Commission to improve the definitions and offer good exceptions.

A normal residence should have one standard driveway and two if a circular drive is present. Mayor Helmberger stated the Subdivision Ordinance has regulations and spacing as well. The Zoning Ordinance has driveway information as well. It would be useful to combine the information and have all the driveway information clear. There also needs to be clarification of the surface type and the use, including auxiliary parking. Terms may also need to be brought up to date.

The consensus of the Council was to send this information to Planning and Zoning.

ITEM VI – A) WORKSHOP TO DISCUSS PROPOSED FISCAL YEAR BUDGET 2014 – 2015

Finance Director Daphne Hamlin came before the Council presenting the 2013-2014 revised budget and the 2014-2015 proposed budget. The Fire Department's request for bunker gear has been dropped from \$63,000 to \$45,000. City Manager Ben White stated last year's budget was used and moved to this year. The budget was balanced with no changes. The transfers remained the same. The risk is on the Water Department side as we are losing money. The same amount is charged by North Texas Municipal Water District. Rainfall is expected during the Fall and Winter, but right now the numbers are very low. The Electric Department is doing pretty well. Revenues are looking good. The Wastewater Department is generating revenues, more than in the past.

The Proposed Budget Highlights include \$37,200 from Rhino Communications for their lease on our water towers plus \$81,282 for an update to the Sales Tax Revenues. Ms. Hamlin spoke of the transfers from the Enterprise Funds to assist the General Fund which has been common place for several years.

Sales Tax revenues are growing each year. A 20 year history of the sales tax was presented to the Council. The Franchise Fees will have a larger increase due to Rhino Communications and the new contract to use our water tower space. On page 4 of the presentation, the Transfers-In has lowered due to expenditures from the Public Works including a generator and vehicles. The Court revenues include the Municipal Court and the Warrant Officer. Page 5 of the presentation shows the percentages comparing 2013-2014 budget to 2014-2015 proposed budget. Almost 1/3rd of our budget revenues come from Transfers-In.

The expenditure page of the proposed budget, page 6, reflects very little change. Budget amendments were accomplished for capital improvements during 2013-2014

where a budget item did not exist. One fire truck was paid off and another bond bought the new fire engine. The Property and Buildings item has decreased. The sale of equipment is being used for the Service Center improvements.

A decrease was made to the Parks Department budget. This line item is not the same as the Parks Board budget. The General Fund Parks budget line item pertains to maintenance of the City's parks and includes 3 employees, light bill at the Spain Complex, water bill for the Splash Pad and maintenance expenditures for the Chaparral Trail.

City Manager Ben White included a statement regarding the cost accounting software which helps separate departments to allow proper spending and monitoring of funds. 2011 was the first year this accounting was implemented. Jim Foy stated this is good information to emphasize to our citizens. Mr. White also stated \$30,000 was included in the Parks budget for a grant match.

Page 7 of the presentation reflects the percentages of the expenditures while page 8 shows the budget history with the currently revised budget. Mr. White requested the salary allocations as presented on pages 10 through 14. Mr. White stated the salary allocation was not considered when the Electric Department was being considered. A new lineman, making four employees in the Electric Department, is included in the budget. One individual is currently under contract. Right at the time the City was taking over the system, two out of the three employees were out and not able to work. If the system went down, a contractor may or may not be available. Therefore an additional person was built into the budget.

Ms. Hamlin was asked to present a Cost of Living Survey from area cities. Anna has a 3% increase. Greenville is proposing a 2% increase. McKinney is proposing a 2%, 4% and 6% merit raise. Princeton did not return a call. Wylie completed a compensation study and has implemented a set plan on the employee's anniversary equaling 2.5% increase.

Bond indebtedness is the next topic. First Southwest is preparing the bond information for Council approve the next \$1.5 million bond at the July Council meeting and funds will be available in August. This was the bond approved by the voters for streets, water and wastewater projects. Ms. Hamlin stated that most of the debt is paid by revenues and not by taxes. Mr. White offered an option to pay some of the debt through transfers and allow the taxes to pay the majority of the debt.

As seen on page 22 of the presentation, the Water Department is struggling. Mr. White stated if projections hold, the City will need to take funds from the reserves to cover the loss. Ms. Hamlin pointed out the rates have been followed according to the rate study; however the Water Department is supply and demand sensitive. With salaries being moved to the Wastewater Fund, the Admin Personnel dropped \$100,000. Mayor Helmberger noted the Council raised the wastewater rates to pay for future improvements yet every year funds are taken out to cover expenditures. Mr. White stated there is not enough in the current budget to take care of our system. Jim Foy agreed we need to build up funds in the Wastewater Department. Each department should pay for only what it expends. Mayor Helmberger stated he would like to have

the rate study within a month. If we continue on this same path, we are not heading in the right direction. People cannot conserve much more. Mr. White added that all cities supported by North Texas Municipal Water District are affected by this same problem. Another added factor became clear when Caddo Basin attained their own take point from NTMWD rather than through the City of Farmersville. Mr. White added Bill Harrison is very helpful to voice concerns as the City of Farmersville's representative on the NTMWD Board of Directors.

While looking at the revenues over expenditures for the Water Department, Mr. White stated all indications show that El Niño is expected to move and the weather to return to normal. This would mean more water usage by our residents. The pipeline installed by NTMWD from Lake Texoma to Lake Lavon is online, but Lake Lavon is still critical. The rate study will show the true cost to operate both the water and sewer.

Page 28 of the presentation shows the Wastewater Fund revenue sources based on the rate study. With the changes to the personnel as directed, the Wastewater Fund has increased expenses drastically. The Capital Expenditures include the vacuum pot holer and a one-ton pickup to improve the one-ton fleet per Mr. White. A backhoe was previously in the list of expenditures, but was removed. The Council further discussed having each department support itself.

The Electric Fund, although new, is expected to support itself. According to the projections and still being conservative, the revenues show to increase \$600,000. We will need one full year to know, but even including another employee the Electric Department shows to be very promising. Jim Foy stated this is the reason the Council opted to take the Electric Department back. The Surcharge is spent on electrical improvements.

The Refuse Fund will be corrected as the hazardous household waste figures are incorrect on the presentation, page 38. This will be brought back to the Council at the next budget workshop session.

Page 41 has a budget "Wish List" from all Departments. Mr. White stated he would like to place the "cut line" after the additional fireman and the others on the list can be worked toward next year's budget. Mayor Helmberger requested the rate study be complete to find where we are in planning the Wastewater Treatment Facility and transmission lines. Council will need to study this information and decide how to use the electric surplus.

Council concurred to slow down the transfers and allow each department operate on its own. \$160,000 was budgeted for Wastewater and Jim Foy requested these funds be returned to the Water Department and look to the rate study information to offset the cost. The transfers haven't changed in several years, but it is now time to reconsider. Mayor Helmberger stated the Water Fund has not paid for itself. Mr. White offered to decrease the Wastewater Funds. Mayor Helmberger stated the Candy Kitchen project needs to be done, but will have to be moved down the list. Mayor Helmberger requested the SRO Officer moving to patrol be moved to the top portion of the list along with insurance, performance and cost of living increase, and the bunker gear. The Fire Department's request for bunker gear may be reduced through a grant. The bunker

gear dated 2005 is fading and has been deemed unsafe. Chief Morris stated we owe our volunteers much more, but minimally to offer safe gear. The biggest bulk of our gear came through a Homeland Security grant.

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

Jim Foy requested to discuss enforcement of the Sign Ordinance in the Extra Territorial Jurisdiction at the first meeting in July. No one else requested items for future agendas.

ITEM VIII) ADJOURNMENT

Council adjourned at 8:16:47pm.

APPROVED

ATTEST



Edie Sims, City Secretary



Joseph E. Helmberger, P.E., Mayor

