

FARMERSVILLE CITY COUNCIL

MEETING MINUTES

July 8, 2014

The Farmersville City Council met in regular session on July 8, 2014 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Helmberger, John Klostermann, John Politz, 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, 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. Jim Foy offered the invocation with Mayor Helmberger leading the audience in the Pledge of Allegiance to the American Flag and the Texas Flag.

Item II) CONSENT AGENDA

Mayor Helmberger requested Item D – School Resource Officer Report to be removed permanently. Mayor Helmberger then requested Items C, E, G and H be pulled for discussion. Jim Foy motioned to approve Items A, B, F, I and J with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item C – Code Enforcement/Animal Control Report: Mayor Helmberger questioned how much brush was left after the volunteer cleanup effort with Chief Sullivan stating all brush had been removed. Some stumps were left in the alley behind Cello Wrap which needs to be resolved. City Manager Ben White stated the chipper has been repaired and is back in service. Russell Chandler motioned to approve the Code Enforcement/Animal Control Report with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item E – Fire Department Report: Mayor Helmberger noticed additional graphs and charts added to the monthly report. Fire Chief Kim Morris responded to a request by Councilman Russell Chandler. Mr. Chandler stated the reports would help track paid personnel which in turn would justify payment of additional personnel. Mr. Chandler added his request was for a six month period only. Russell Chandler motioned to approve the Fire Department Report with John Politz seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item G – Warrant Officer Report: Mayor Helmberger questioned if total time served credit directly correlates to 23 arrests with Warrant Officer Rick Ranspot replying

the time does correlate. Once arrested, the defendant can either pay their warrant or sit the time in jail or bond out. The total on the report reflects how much money is owed. Officer Ranspot also informed the Council that each person taken to jail by Farmersville will constitute a bill from the jail to Farmersville; however, if a person is in jail from another Department, the City of Farmersville is not charged jail charges. City Manager Ben White stated the backlog has gone down and recognized Officer Ranspot as doing a good job. John Klostermann motioned to approve the Warrant Officer Report with John Politz seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item H – Public Works Report: Mayor Helmberger stated the Water Usage Chart is well below the usage from 2011 and is falling drastically. When asked regarding the backlog, City Manager Ben White stated he did not include the storm water system project behind the May building and will correct. The drainage issue behind Hurst Antiques has been budgeted.

Questions were raised regarding the bleachers at JW Spain Athletic Complex. Mr. White indicated FCDC funded some of the bleachers during this year's budget. The remainder will need to be funded. The bleachers at the Riding Arena have not been funded as of yet. Parts of the Onion Shed repairs will be funded, including the roof and some of the foundation. The Public Safety generator issues are complete including thermostats change out so the equipment does not experience a large power surge. Mr. White stated he will start on the generator at City Hall next.

Mr. White also informed the Council that more parts have been ordered to repair the Splash Pad. The brains of the system went out. The part is being programmed now and will ship tomorrow, once received will have the item installed.

Under the Electrical System portion of the Public Works Report, 2(a) reflects 2,561,460 kilowatt hours used during last month. Mr. White stated adjustments were not reflecting real time. A loss rate should be added to this report. Mr. White stated he will be working with Incode to improve their system over the next month.

Russell Chandler motioned to approve the Public Works Report with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler 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 TO AMEND THE MASTER FEE SCHEDULE REGARDING 1) REFUSE/GARBAGE AND RECYCLE SERVICE TO BE EFFECTIVE OCTOBER 1, 2014; 2) TRANSFER OF UTILITY SERVICE RATES; 3) UTILITY RECONNECTION RATES; 4) UTILITY RECONNECTION RATES

With no revisions being requested, Jim Foy motioned to approve the ordinance as presented during the second reading with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM IV – B) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE MASTER FEE SCHEDULE TO INCREASE THE WATER AND SEWER RATES

Mayor Helmberger stated a rate study for water and sewer was requested in 2011 with an ordinance that increased the water and sewer rates in steps. One of the last rate increases as recommended from the rate study was scheduled in February 2014; however Council did not act on this rate increase. Council stated we were not realizing the revenues based on the water rates and wanted to have the study reviewed. Council discussed not increasing the sewer rates until the rate study was completed.

A household with a 3/4" water line using 7,000 gallons of water has a water bill currently of \$44.67. With the rate increase, the water bill for the same amount of gallons will be \$47.67, an increase of \$3.00 per month based on the same gallons of use. For the sewer rate increase using 3,000 as the average, the current bill is \$31.17. With the rate increase, the sewer rate will be \$50.43, an increase of \$19.26 per month.

The proposed budget includes the rate step on both water and sewer. There is time to amend the budget according to Council's direction. Jim Foy noted water consumption is down but the City still has to pay North Texas Municipal Water District due to the Take or Pay contract. City Manager Ben White indicated NTMWD is considering adjusting the rebate for the chemicals used to treat our water and sewer. Russell Chandler stated he did not like penalizing our citizens for conserving water. John Politz stated he would rather increase the water and not increase the sewer.

Council agreed it was obvious the water department should take care of itself and the same for the sewer department. Jim Foy motioned to adopt the rate increase for the water side only and revising the ordinance accordingly. John Klostermann seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler no and Jim Foy yes. Motion passed with majority of Council approval and one in opposition.

ITEM V – A) CONSIDER, DISCUSS AND ACT UPON A CONTRACT WITH CAPPS CAPCO CONSTRUCTION FOR THE 12" WATER LINE PROJECT ON BOB TEDFORD DRIVE

City Manager Ben White stated the Council awarded the Notice of Award and Notice to Proceed at the last Council meeting. A change order will be presented

regarding a steel bore which will reduce the cost of the project. The bore will be done in the alley and will be clearly noted if the alley is in private or public right-of-way. Jim Foy motioned to approve the contract with Capps Capco Construction as presented with Russell Chandler seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – B) CONSIDER, DISCUSS AND ACT UPON AN AGREEMENT WITH COLLIN COUNTY TO PROVIDE JAIL SERVICES DURING FISCAL YEAR 2014-2015

With the jail service agreement being the same as last year, Russell Chandler motioned to approve the agreement as presented with John Politz seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – C) CONSIDER, DISCUSS AND ACT UPON AN AGREEMENT WITH COLLIN COUNTY TO PROVIDE DISPATCH SERVICES DURING FISCAL YEAR 2014-2015 WHICH ALSO INCLUDES A VIRTUAL PRIVATE NETWORK CONNECTION POLICY AND AGREEMENT

The dispatch service agreement with Collin County is the same as last year. Russell Chandler motioned to approve the agreement as presented, including the Virtual Private Network Connection Policy and Agreement. John Klostermann seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – D) CONSIDER, DISCUSS AND ACT UPON ENFORCEMENT OF THE SIGN ORDINANCE WITHIN THE CITY'S EXTRA TERRITORIAL JURISDICTION

Jim Foy requested this item to be discussed by Council. Presently the City does not monitor or enforce the Sign Ordinance within the City's Extra Territorial Jurisdiction. As Highway 380 is completed and more businesses develop the area, more signs will come with those businesses. The area on Highway 380 outside the City Limits to Lake Lavon and Highway 78 to the bridges going both North and South should be enforced. If we don't enforce in the ETJ now, whatever exists will be "grandfathered" if the land is annexed into the City. Once annexed, changing a sign to meet current code is extremely difficult. Council concurred.

Police Chief Mike Sullivan stated he will begin enforcement. No action was taken by Council.

ITEM V – E) CONSIDER, DISCUSS AND ACT UPON PROCESSES AND REQUIREMENTS REGARDING SPECIAL EVENT PERMITS

Mayor Helmberger opened this item and stated the City should have an easy way to register an event and allow the event holders to have restrictions regarding alcohol. City Attorney Alan Lathrom provided Council with a 27 page ordinance, revocable licenses for Type A and Type B sidewalk uses and another ordinance regarding consumption of alcoholic beverages in certain public places. Mayor

Helmberger stated he did not want to go into a lease agreement as the ordinance states now. Mr. Lathrom indicated his concern regarding potential liabilities.

Mayor Helmberger stated he envisioned an ordinance that would allow the City to hold special events, such as wine tasting, where alcoholic beverages could be served. This event could be held at the Onion Shed. Mr. Lathrom indicated wineries have different laws; however TABC still regulates this type of use.

Parameters need to be established and fall under the umbrella of the permit. If alcoholic beverages are kept within the parameter, we should have rules to allow. We have rules in place and can enhance those rules regarding an open container outside those parameters. Mayor Helmberger asked Mr. Lathrom to simplify the ordinance and continue to the next meeting. Mayor Helmberger also requested the removal of "site plan" and change to those references to be "drawing."

Another note, the fence encompassing the parameter allowing alcoholic beverages being served must be interlocking as required by TABC.

ITEM V – F) CONSIDER, DISCUSS AND ACT UPON ITEMS REGARDING AMERICAN DISABILITY ACT COMPLIANCY

John Klostermann requested this item to be discussed by Council. City Manager Ben White included the Transition Plan Guideline Checklist in the Council packet. Mr. Klostermann understood the majority of these items comes down to money.

Mayor Helmberger stated a great deal of activity occurs at the Spain Athletic Complex. The items surrounding the Complex do not need to wait until 2016. Presently no budget items have been instilled to address these issues. City Manager Ben White stated he hoped to set aside funding for these improvements with the next Collin County Open Space grant. Presently all funding efforts have been focused on the Chaparral Trail. Other parks within the City will be addressed in a priority manner with the Spain Athletic Complex being first to be addressed.

The Senior Citizens Center has an issue at the main entry door. Mayor Helmberger questioned if costs were associated with each project item with the answer being no. Jim Foy stated we need to take the cost of each project and consider into the budget. Presently the budget is not capable of handling all the ADA Compliancy issues. Mr. White indicated grants would be the best method to make a major impact on the list.

The Fire Marshal has required us to remove the spectator stands. Mr. White spoke with both Little Leagues and has asked for \$3,500 to help fund new spectator stands. FCDC has offered \$3,500 for one spectator stand.

Mayor Helmberger stated we need the list prioritized by cost so we can chip away at the list. Mayor Helmberger also requested an addition to the list to include van accessible signage. This item needs to be brought back to the Council at the next meeting.

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

Johnny Bratcher, Regional President of Independent Bank, stated he received the agreement today and requested the Council take no action to allow time for his attorney to review.

Mayor Helmberger stated clarifications need to be made to the agreement to include changing “electric utility” to Farmersville Electric. Also clarification needs to be made regarding the bank parking lot rather than street lights. Council took no action on this item.

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

Finance Director Daphne Hamlin came before the Council to discuss the proposed budget for 2014-2015. On page 2 of the budget handout, \$298,700 is proposed to be spent from the Electric Fund into the General Fund to cover proposed expenditures.

With Farmersville ISD no longer requiring the City’s use of a School Resource Officer, the remainder of the officer’s payroll will be met through the General Fund offering one full time officer to the Farmersville Police Department. Police Chief Sullivan stated by having this addition to his Department, two patrol officers will offer better coverage at night.

Ms. Hamlin pointed out the Fire Department’s Bunker Gear started out at \$65,000 and has now been reduced to \$23,000. City Manager Ben White stated the “cut-line” has been moved down to allow funding of a police car. Police Chief Sullivan stated the Tahoe has 156,000 miles. Chief Sullivan does not want to invest more in a vehicle that is on the critical list.

City Manager Ben White stated the Fire Department’s Bunker Gear item was dropped due to grant efforts to assist with the funding. Fire Chief Kim Morris stated \$23,000 will purchase 15 sets of bunker gear without helmets, boots or gloves. The proposed budget is planning to add one full time fireman. Chief Morris stated one fireman cannot nor should not respond to a call. Two firemen can work the exterior of a fire call. Other duties for day to day operations include daily truck inspections; clean, test and flushing fire hydrants; offer coverage to allow Fire Chief to attend important meetings.

Russell Chandler stated the additional Fire Department report request helps to understand when fire calls occur and the shows the number of people that answer the call. There was a concern of fire calls being used to receive mutual aid funding through Collin County. Public Works personnel were considered to attend fire calls, but were found this was neither effective nor reasonable. The Fire Department needs to focus solely on the Fire Department needs as Fire Fighters must be commissioned. Typically our Volunteer Fire Department members dual as EMT’s or paramedics.

Jim Foy expressed concern the street budget was not included above the “cut-line.” If we don’t repair the streets we have, the cost will be greater in the long run. We

must find ways to fund the street maintenance line item as it needs to be considerably more.

Ms. Hamlin returned to the budget presentation showing the sales tax history and how the sale tax revenues outstripped the prediction for the current year's budget. Sale tax revenues are typically budgeted very conservatively as this revenue is economically driven.

Page 5 reflects the summary of the revised and proposed income budgets. The transfers went up according to Council's recommendation. Council has requested that the Water Fund pay for itself, likewise the Sewer Fund to fund itself. In years past, transfers came from the water and sewer funds to assist the General Fund.

Page 7 reflects the proposed and revised expenditures. For the Police Department, one officer was added to patrol along with two lease vehicles. The Fire Department added one fireman. The Bond reflects paying for the fire truck. The Street Department includes raises. Two employees work the Street Department. The Street Department line item also includes the utility bill for street lights.

Page 9 shows we currently have a balanced budget, but the revised budget will have a shortfall of -\$8,133. Pages 11-15 show the salary allocation for each employee and respective department. The presented allocations are more realistic to the salary cost. A cost of living survey was performed of nearby cities showing the majority offering a salary increase to their employees.

Ms. Hamlin reported Page 18 showing the indebtedness of the City. The City will be selling another bond phase on July 29th. Per Council recommendation, the tax revenues will be paying the bond and shifting the burden from the enterprise funds. Property values have risen. We will have the actual numbers from the Collin Appraisal District on July 25th. The resulted tax rate increase is due to the bond issue which the voters voted for. Presently all the information presented is preliminary as shown through Page 22.

Page 23 reflects the Water Fund Revenue Summary. The proposed figures reflect exactly what the 2011 Rate Study has provided. City Manager Ben White informed the Council of one water tower down due to a water leak which must be repaired. Reiterating a previous conversation, the City of Farmersville pays \$570,000 to North Texas Municipal Water District annually whether we use water or not. Page 25 reflects the Water Fund Expenditures. Administrative Personnel went down as the salary allocation reflects more accurately now. The Revenues versus Expenditures for the Water Fund reflect a deficit, even with the \$3.00 per household per month water rate increase and not transferring out of the Water Fund.

The 2011 Rate Study figures were used to determine the sewer sales as reflected on Page 29 of the Wastewater Fund Revenue Summary. To date, this information will be amended since the Council did not approve the sewer rate increase earlier in this meeting.

Ad Valorem taxes will be used to pay almost all of the debt. \$62,000 has been indebted for a backhoe. \$42,000 will be utilized for the post vacuum equipment. The Maintenance line item will be funding the wastewater treatment plant operations.

Page 33 reflects the Wastewater fund Revenue versus Expenditures which looks good. The presentation will be revised for the next Council meeting to accurately reflect the wastewater revenues based on the desires of the Council. Any difference above the budgeted amount will be placed into Reserves.

Page 4 is the Electric Fund Revenue Summary. This Summary shows an elimination of Agreements and Contracts as we no longer have a contract with Sharyland Utilities. The numbers are on target from what Mr. White had originally projected. The Other Revenue depicted in the 2013-2014 is the electric bond which will not exist during the 2014-2015 budget. We have budgeted a 30 day reserve in the Electric Fund. Earlier in the year, the Farmersville Economic Development Corporation loaned \$100,000 to the Electric Fund to help with the upfront costs. This expenditure has been paid ahead of time and the City did not use nearly the amount loaned as thought was needed.

Page 36 reflects the Electric Fund Expense Summary. The Electric Surcharge is being used for Capital Equipment purchases which in-turn updates the system. Personnel will increase from three men to a four man crew, reflecting the increase for the personnel expenditures. Transfers to the General Fund have increased \$300,000. Jim Foy stated this is why we took the electric utility back, so funds would stay with the City of Farmersville and not fund another outside source. In turn, this surplus will profit the citizens rather than Sharyland.

Page 38 reflects the Electric Fund Revenue versus Expenditures with a net profit of \$4,539 for next year's budget and \$59,434 profit for this year's budget. Mr. White stated taking the \$300,000 out made the budget fat to cover any unforeseen costs since we are still in the infancy of taking back our utility.

Page 39 reflects the Refuse Fund which is a wash. Page 41 is the Refuse Fund Revenue versus Expenses with a Net over Revenue a positive \$37,848 for this year and proposed positive \$33,754 for next year. Jim Foy stated he hoped the funds help pay for street damages.

Ms. Hamlin reviewed the public hearing dates and the calendar to adopt the budget. Jim Foy and John Politz requested any increases be placed in the Street Department and to add the ADA Compliancy items to the budget.

ITEM VII – A1) EXECUTIVE SESSION: SECTION 551.074, DELIBERATION REGARDING PERSONNEL MATTERS TO HAVE A DISCUSSION REGARDING PERFORMANCE EVALUATION OF THE CITY MANAGER

Council exited to an Executive Session at 7:54:25pm.

Council reconvened from an Executive Session at 8:17pm.

Jim Foy motioned to amend the contract per the discussion and present it at the next meeting with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, John Politz yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

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

Mayor Helmberger requested the health inspection contract with Collin County be presented at the next meeting. Jim Foy requested the vapor shop ordinance be prepared for first reading by the Council at the next meeting.

ITEM VIII) ADJOURNMENT

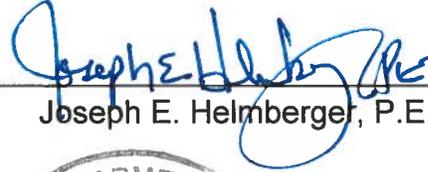
Council adjourned at 8:18pm.

APPROVED

ATTEST



Edie Sims, City Secretary



Joseph E. Helmberger, P.E., Mayor

