

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
November 18, 2014

The Farmersville City Council met in special session on November 18, 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, Warrant Officer Rick Ranspot 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.

Mayor Helmberger welcomed visitors Renea Helmberger, Karissa Helmberger, Katrina Helmberger and Mike Jones with the City of Lavon.

Item II) CONSENT AGENDA

Jim Foy requested Item G – Public Works Report and Item I – City Manager's Report be withdrawn for discussion. With no other reports being withdrawn for discussion, Michael Hesse motioned to approve Items A, B, C, D, E, F and H with John Klostermann seconding the motion.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 G – Public Works Report: Mr. Foy asked if updates were available regarding the infiltration issues with the wastewater system. City Manager Ben White offered the City was moving forward with the infiltration issues through the CDBG Grant. The grant will fund several of the sewer projects to free bond funds. Mr. White stated the projects have been delayed waiting on the CDBG grant to be funded. One of the projects will be a 16" wastewater line running parallel with Highway 78.

Mr. Foy questioned if cameras are being used to locate deficient areas in our sewer system. Mr. White replied the City is not using cameras but Flodars The problem though is that we have not had a significant rain which is when the infiltration is a problem. With the information supplied, Russell Chandler motioned to approve the Public Works 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 I – City Manager's Report: Jim Foy stated the Action Item List in the City Manager's Report has several items that are outdated and have no action noted. City Manager Ben White indicated these items are reflected so they are not forgotten. With limited staff, some items related to funding, other items in the City take precedence. Mr. Foy understood the constraints yet asked to have some of these items resolved, possibly a few per month. Russell Chandler motioned to approve the City Manager's

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

Mayor Helmberger noted in the Library/Civic Center Board minutes, the Civic Center continues to reflect a deficit. A request was made by Mayor Helmberger to have the Board review the rate schedule and see if we can now cover the costs incurred by the Civic Center users. Also, in the Library/Civic Center Board minutes, Mayor Helmberger requested information regarding the Library's "Little Free Library" project. Michael Hesse offered the explanation of the Little Free Library as a location where people can pickup and place books for free. This concept is used in other areas and is quite a hit. Council did not request any information or clarification regarding Informational Items.

ITEM IV – A) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGARDING DUMPSTER USE REGULATIONS

Mayor Helmberger opened this item for discussion by stating the Planning and Zoning Commission reviewed this ordinance at last night's P&Z meeting. The Commission recommended the Council to approve the ordinance as presented.

Mayor Helmberger, however, had a few issues to be further discussed. Under Section 59.25, Mayor Helmberger requested a clarification of the term roll-off as all dumpsters are not considered a roll-off. Dumpsters are typically trash containers with lids and sliding doors where roll-offs are not enclosed. Under this section, item (a)(2), the apron is not defined and needs clarification. Item (a)(5) needs to be consistent with our current ordinance, understanding the effort is to address enclosures. However, not all dumpsters are subject to enclosures. Item (a)(6) discusses roll-offs again and needs clarification. Under item (a)(8), Mayor Helmberger expressed concern regarding the location of a dumpster. If the City is requesting the placement beyond the setbacks, then this item is not necessary. When under new construction, the placement of the dumpster will be set according to the site plan and all requirements. City Manager Ben White indicated this was the purpose of item (a)(9). City Attorney Alan Lathrom indicated the purpose was to have the dumpsters from being in full public view. This is a friendly way to say the dumpsters "should" be rather than "shall" be located further back into the lot. Item (a)(11) was requested to change the word Improvements to Enclosure.

On the Ordinance, Section 3(a), Mayor Helmberger questioned since a citation can be issued, how will this be enforced? City Manager Ben White stated this portion of the ordinance will give the Police Department what they need to enforce it. However, the approach will be gentle at first with communications between the Code Enforcement and the dumpster users to encourage the placement in better locations, or improve the approaches. Time will be offered, but the users will need to comply bringing their dumpster(s) up to this standard.

Polycarts will also need clarifying. Mayor Helmberger requested Section 4(f) be deleted. Mayor Helmberger requested the above mentioned items be changed and have the ordinance brought back to the next Council meeting for review. City Attorney Alan Lathrom indicated he is concerned with non-conforming use rights, but more concerned with the health, safety and welfare of our public.

ITEM IV – B) ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE AMENDING THE 2014-2015 BUDGET REGARDING THE PURCHASE OF A BRUSH TRUCK FOR THE FIRE DEPARTMENT

City Manager Ben White stated with \$38,000 being paid by our insurance from the accident claim, we are now ready to get a replacement brush truck. Mr. White indicated the delay has been waiting on insurance negotiations. It was hoped for a better settlement, and other options were researched to help fund the remainder of the cost for the replacement. A grant was researched, but was not allowed for this particular situation. The balance of the brush truck will be paid from General Fund Reserves. Fire Chief Kim Morris stated it will take 120 days once a chassis is received to have the remainder of the brush truck outfitted which may take several months.

Russell Chandler motioned to approve the ordinance as presented with Jim Foy 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 – A) PUBLIC HEARING TO RECEIVE PUBLIC COMMENT REGARDING AN APPLICATION FOR TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT ASSISTANCE UNDER THE PLANNING/CAPACITY BUILDING FUND

Mayor Helmberger opened the Public Hearing at 6:31pm and asked for anyone FOR the Texas Community Development Block Grant application. Cloy Richards, representative for GrantWorks, Inc., came before the Council and described the planning grant is a vital project fulfilling a major need for cities to plan for the future. With no one else coming forward, Mayor Helmberger asked for anyone OPPOSING the grant application. With no one coming forward, Mayor Helmberger closed the Public Hearing at 6:33pm.

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

City Finance Director Daphne Hamlin came before the Council stating the Water and Wastewater revenues look really good. Jim Foy noted the Electric Fund show expenditures without revenues. Ms. Hamlin stated she is still working toward the end of year closeout. Once completed, the figures will be reflective one year in the rear, unfortunately giving a distorted view. Once all the figures are brought current after the end of year closeout, the financials will be brought up to date. Jim Foy motioned to approve the City Financial Reports 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 VI – B) CONSIDER, DISCUSS AND ACT UPON AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF FARMERSVILLE AND THE CITY OF LAVON FOR CLASS C WASTEWATER OPERATOR SUPPORT

Mike Jones, representative for the City of Lavon, was present to answer questions regarding the Interlocal Agreement presented. City Manager Ben White stated the Mayor of Lavon approached him with this request as TCEQ has imposed action upon the City of Lavon for not having an employee/contract with a Class C Wastewater License. Mr. White offered the good neighbor policy to share Eddie Brock, who is properly licensed, until the City of Lavon has their own licensed employee/contract. The time expected for this agreement is 90 – 120 days. Mr. White stated the agreement is low risk to the City of Farmersville and recommends entering into an agreement with the City of Lavon. If major requirements for resources are needed, the City of Lavon has offered to provide funding. The City of Farmersville will not charge the City of Lavon for the services provided. Item 5 of the agreement gives Farmersville's City Manager some ability to decide duties performed by our employee, but Mr. White stated he does not foresee an issue. The City of Lavon has one package plant with a collection plant and lift stations. Mike Jones stated the City thought if they contracted for this purpose a Wastewater License would not be required. TCEQ is requiring the City of Lavon to have a Supervisor. The City of Lavon does have a contractor to perform any duties necessary; Eddie Brock will perform the roll of Supervisor so there is not a drain on either city's resources.

Jim Foy motioned to approve the agreement as presented 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 VI – C) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION TO APPLY FOR 2015 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT ASSISTANCE UNDER THE PLANNING/CAPACITY BUILDING FUND

Cloy Richards, representative for GrantWorks, Inc., encouraged the Council to pursue this grant as it is very beneficial. The application will be submitted in March with awards being issued in October 2015. Mayor Helmberger questioned if this grant was redundant to the Comprehensive Plan that was completed January 2013. City Manager Ben White indicated the planning will be applicable to the Towne Centre Plan which will then be available for the updates to the Comprehensive Plan. The Farmersville Economic Development Corporation is funding the match required for this project. Per a question by Jim Foy, the grant will help fund drainage marking and plotted on a map for future reference. Michael Hesse motioned to approve the resolution as presented with John Politz seconding the motion. Jim Foy questioned if item 4 should reflect elected official rather than the City's Chief Executive Official. Cloy Richards clarified the requirement is an elected official and the Mayor is the City's Chief Executive Officer. With no changes, 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 VI – D) CONSIDER, DISCUSS AND ACT UPON RECEIVING A DONATION OF PALLET RACKS

Doris Williams donated pallet racks to the City which will be utilized in the service center. With no further discussion, Michael Hesse motioned to receive the donation 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 VI – E) CONSIDER, DISCUSS AND ACT UPON RECEIVING A DONATION OF \$1,000 FROM THE CHAMBER OF COMMERCE FOR THE CHAPARRAL TRAIL

The Farmersville Chamber of Commerce made a donation of \$1,000 to be used on the Chaparral Trail. With no discussion, John Klostermann motioned to receive the donation 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 VI – F) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION ADDING LEACA CASPARI, PRESIDENT OF THE FARMERSVILLE COMMUNITY DEVELOPMENT CORPORATION, TO THE TEXPOOL ACCOUNT ACTING AS A CUSTODIAN OF INVESTMENTS PURCHASED WITH LOCAL INVESTMENT FUNDS

City Manager Ben White informed the Council the resolution presented is a housekeeping item to allow transfers made with TexPool. In the event our Finance Director Daphne Hamlin is unavailable, TexPool transactions can be handled through Leaca Caspari. As the board changes, the Council recommended having this document updated. Michael Hesse motioned to approve the resolution as presented with Jim Foy 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 VI – G) CONSIDER, DISCUSS AND ACT UPON A WATER TAP AGREEMENT WITH CHARLES AND WINNETTA MORROW AT THEIR PROPERTY ON JACKSON STREET

City Manager Ben White began his explanation for the need of the water tap agreement by informing the Council the City is installing a 12" water line on Jackson Street to facilitate the North Water Tower. At one time, a water tap was present on Mr. Morrow's property. Mr. Morrow has requested the City to return a tap. Mr. White indicated the service line will be placed but a tap will not be done until there is a need for a tap and the water will be used. The old tap broke and leaked. The road has slowly cut into Mr. Morrow's property and the tap was driven over. The instrument presented is to ensure the City will provide a tap to the property when there is a need.

When asked how to prove the water tap is needed, Mr. White informed the Council a building permit would indicate the need. Michael Hesse questioned if the property owner wanted irrigation, a building permit would not be required; yet a need is present. The reply was once a water tap is installed, a meter will be installed and a water bill will be generated. This agreement waives the tap fee. John Politz agreed this

was the right action to take. Mr. White stated he would like to have a standardized form to include such language; but for this particular agreement, Mr. and Mrs. Morrow have agreed to the terms and offering.

Russell Chandler motioned to approve the agreement as presented with Jim Foy 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 VI – H) CONSIDER, DISCUSS AND ACT UPON REMOVING STOP SIGNS ON SUMMIT BETWEEN ORANGE AND RIKE AND ORANGE STRET BETWEEN HIGHWAY 380 AND SUMMIT

City Manager Ben White explained the purpose for this agenda item by indicating the off-set streets which have unusual locations for stop signs, particularly at South Rike and Summit Street. The reason the stop signs were installed was to slow down traffic, however the enforcement is prohibited as the stop signs do not meet the Texas Transportation Code requirements. Even though an odd intersection, there are a lot of violators on Summit Street according to Police Chief Mike Sullivan. If the stop sign is pulled, a yield sign should be installed, even though it is unenforceable as well. Chief Sullivan stated the stop sign is a tool to slow people down.

A brief discussion occurred how the benefits of straightening the intersection might help; however the Hinton family would need to be asked if the corner of their lot would be donated for this purpose.

City Manager Ben White encouraged the Council to consider removing the stop sign on Orange Street and leave the intersecting stop signs on Beech Street. By making this change, we also need to match up the codification to the stop signs. John Klostermann motioned to remove the stop signs on Orange Street and leave the stop signs on Beech Street 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.

Jim Foy asked if the Council could discuss realigning the intersection at the next meeting.

ITEM VI – I) CONSIDER, DISCUSS AND ACT UPON ELECTRIC RATES

City Manager Ben White indicated at the last meeting the Council discussed options regarding the electric rates with JD Russell. Options were: 1) do nothing and keep the rates and applying the ratchet as the ordinance states; 2) continue operating with no demand charge during non-production months and demand charges during production months; or 3) using a hybrid of the two options where we have an end to zero demand charges and apply the ordinance as written but allowing an incremental time for JD Russell to make adjustments. Option 3 would ultimately have the meter read the same as everyone else. Jim Foy had previously requested a summary of JD Russell's bills; however, this data was not available for the Council meeting.

Jim Foy reviewed agreements made with JD Russell over the past several years which were typically for 6 months at a time. One agreement needed a verification of the multiplier but was made to lower the rate for a period of time that ended September 19,

2009. All agreements are void due to their time limits expired. Mr. Foy stated a rate needed to be set, either the ordinance as written or develop a rate pertaining to JD Russell's unique operation; however not one without a demand charge. Michael Hesse expressed concern that if the company doesn't use the demand charge, the City must still pay for infrastructure. Mr. White indicated Greenville does not charge a demand charge however they increased their rates to cover the costs. David Eaves, with JD Russell, stated he would much rather pay a higher bill during production time and a lower bill during non-production time.

Jim Foy stated he could see an incremental rate increase beginning at 10% and increasing 10% up to 50% which then would match our current demand ordinance. This method would allow the company to grow toward the rate as prescribed by our ordinance. Mr. Foy asked for an agreement to be drawn up to establish an incremental rate increase. An agreement will be binding per City Attorney Alan Lathrom and the existing ordinance controls unless changed for all customers. Mr. Foy requested the agreement be established with quarterly increases and justify the distinction for the ramp up period.

Jim Foy motioned to develop an agreement with JD Russell providing a 10% ratchet demand charge quarterly starting the 1st quarter of 2015 and incremental each quarter so that the existing ordinance will be in full force by 2016.

A discussion continued regarding the meter reading at JD Russell. Mr. White stated when the existing ordinance is in full force, the meter reading will not be an issue. Currently the meter reading varies according to production needs. David Eaves stated he would rather pay higher rates which is more economical for his production needs. Mr. White prepared energy costs with neighboring electric utility providers and found Farmersville Electric was less than most.

Jim Foy stated the agreement in 2009 is confusing as it specified a rate good for 2-½ years but included no demand charge. The 2009 agreement included usage, energy and PCRF. After the 2009 agreement expired, the terms were to revert back to the ordinance which included the demand charge. David Eaves stated he understood the agreement was set for a certain time frame to test certain equipment but when in production the old billing would be applied. JD Russell did not deal with the City on most cases but directly with CapRock. Mr. White stated he ran the figures which showed the difference is approximately \$15,000 per year. David Eaves did not agree and felt with the ratchet, the cost to JD Russell was closer to \$30,000 per year. Mayor Helmberger asked for a second to the motion on the table. The motion died for lack of a second.

This item will be brought back to the Council at the next meeting with an agreement between the City of Farmersville and JD Russell.

ITEM VI – J) CONSIDER, DISCUSS AND ACT UPON DECISIONS REGARDING THE WASTEWATER TREATMENT FACILITY

City Manager Ben White encouraged the Council to delay making application with the Texas Water Development Board which will allow delaying the construction by 1 year. Total delays allowed are 4 years to be in construction. Farmersville Economic

Development Corporation is funding full engineering costs to design the wastewater treatment plant and interceptor line. Mr. White stated if the application is delayed, the City can make application next year in January. Engineering must be underway with design work and plans for right-of-way acquisition. The Council must also have the plan in place to repay the loan within 20 years. Mr. White stated he is researching partners in this venture. The City of Lavon may be an interested partner. With Lavon having large developments, they may make us a good partner. Mayor Helmberger stated he felt when this project gets on the drawing board; others may buy into the project.

Currently we are at the 90% rule with TCEQ and must move forward to find means of paying back this loan. Mayor Helmberger requested this item be on the agenda once per month until these issues are resolved.

ITEM VI – K) CONSIDER, DISCUSS AND ACT UPON CHAPARRAL TRAIL PROJECTS

City Manager Ben White stated the bid proposal should be in the newspaper this week for Phase III of the Chaparral Trail project. The process should take 3-4 weeks before we can begin construction.

ITEM VI – L) CONSIDER, DISCUSS AND ACT UPON STREET, WATER AND WASTEWATER GENERAL OBLIGATION BOND PROJECTS

City Manager Ben White indicated Beech Street is complete and Windom is close to completion. Repairs are still required on Central, Westgate and Hamilton.

City Manager Ben White requested the Council consider Locust Street be considered for resurfacing with no curbs and funded by the bond. Also there will be no more work by Collin County on Orange Street until April. Unfortunately we are entering the time of year that asphalt cannot be laid, but we can have the planning ready.

ITEM VI – M) UPDATE ON SAFE ROUTES TO SCHOOL PROJECT

A review by TxDOT regarding the ADA compliancy is scheduled for Monday. Once TxDOT has completed the ADA compliancy review, the project will be considered closed. Mayor Helmberger requested this item be removed from future agendas.

ITEM VI – N) UPDATE ON HIGHWAY 380 PROJECT

City Manager Ben White indicated Highway 380 will be closed December 5th through 8th to remove the old railroad bridge. Chief Sullivan stated this process is usually completed within 2-3 days. All traffic will be detoured through town. Closures will be reported to the newspaper. Mayor Helmberger stated the beams were built properly for this section of the project so there should not be a delay. Mayor Helmberger also requested pictures be taken before the highway closure so our City streets would be covered by TxDOT.

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

Mayor Helmberger requested a copy of the city auditor's contract be reviewed and discussed.

Jim Foy requested the ordinance renaming the portion of Jackson Street to Sycamore Street be noted East Sycamore Street. No one else requested items for future agendas.

ITEM VII) ADJOURNMENT

Council adjourned at 7:57pm.

APPROVED



Joseph E. Helmberger, P.E., Mayor

ATTEST



Edie Sims, City Secretary

