



**FARMERSVILLE CITY COUNCIL
REGULAR SESSION MINUTES
For
June 26, 2018, 6:00 P.M.**

I. PRELIMINARY MATTERS

- Mayor Rice called the meeting to order at 6:00 p.m. Council members Craig Overstreet, Donny Mason, Mike Hurst, Todd Rolan and Michael Hesse were all present. City staff members Ben White, Sandra Green, Paula Jackson, Rick Ranspot, Mike Sullivan, Kim Morris, Daphne Hamlin, Reagan Rothenberger and City Attorney Alan Lathrom were also present.
- Prayer was led by Rick Ranspot, Farmersville Warrant Officer, followed by the pledges to the United States and Texas flags.
 - A. Calendar of upcoming holidays and meetings
 - B. Calendar of budget planning dates
 - C. Eddie Brock's retirement celebration will be held on Wednesday, June 27th at 12:00 p.m. at the Maintenance Barn. All City Council members are invited.
 - D. City Offices will be closed on Wednesday, July 4th in observance of Independence Day.
 - E. Sparks of Freedom Flier
 - Mayor Rice stated the Library Reading Club dates and the Music in the Park dates. He also pointed out the first day of school for Farmersville ISD would be August 16th.
 - Ben White announced the change in location for Eddie Brock's retirement party would be the Council Chambers.

II. Public Comment

- Cindy Dickens who resides at 212 FM 2194 stated she wanted to discuss the Palladium Apartments. She indicated her parents have property next to the proposed apartments and she does not want the apartments to be build next to their property. She explained she does not want the apartments because of the

location and because of the moral character of the people that would live there. She also wanted to share with the Council that she wanted U.S. Highway 380 to stay in its present location.

- Johnny Feagin who resides at 930 Highway 78 S stated the same concerns that Ms. Dickens stated. He asked if the Council would want the apartments in their neighborhood and he wanted U.S. Highway 380 in its present location.

III. CONSENT AGENDA

Items in the Consent Agenda consist of non-controversial or "housekeeping" items required by law. Council members may request prior to a motion and vote on the Consent Agenda that one or more Items be withdrawn from the Consent Agenda and considered individually. Following approval of the Consent Agenda, excepting the items requested to be removed, the City Council will consider and act on each item so withdrawn individually.

- A. Police Department Report
- B. Code Enforcement/Animal Control Report
- C. Fire Department Report
- D. Municipal Court Report
- E. Warrant Officer Report
- F. Public Works Report
- G. Library Report
- H. City Manager's Report

- Mayor Rice pulled the Public Work's Report and Craig Overstreet pulled the City Manager's Report.
 - Motion to approve reports A-E & G made by Donny Mason
 - 2nd to approve was Michael Hesse
 - All council members voted in favor
- Mayor Rice wanted to know about the Water Quality Report from the Public Work's Report.
- Ben White thanked Paula Jackson for getting the report completed. He stated there were no issues shown in the report.
- Mike Hurst wanted some explanation on Big D Concrete and Caddo Basin.
- Ben White stated Big D should be actually be Reliable and activity was in a holding pattern right now. He explained that he needed to work with Alan Lathrom and Sandra Green to prepare the documents to transfer everything

into Reliable's name. He said he has other important projects going on right now, but if Council wanted them to switch projects then he would do that.

- Mike Hurst stated he wanted them to annex in to the City before any more work on the property is done.
 - Ben White stated there is a lot going on in the City right now.
 - Donny Mason asked about Reliable's permits with the county.
 - Ben White stated he has not asked them point blank about their permits.
 - Craig Overstreet stated that at the past several meetings he has asked for Reliable's financials, but he has not seen them yet. He is concerned about their ability to sustain business.
 - Ben White stated he does have their financial data from last year.
 - Craig Overstreet asked if any other boards had seen the financial data.
 - Ben White said no, but he would be happy to share their financials.
 - Alan Lathrom stated Ben White could share it with the Council and TIRZ board, but for anything else it would need to be sent to the Attorney General for approval.
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- Craig Overstreet asked about the policies and procedures of the accounts payable process on the City Manager's Report.
 - Ben White stated there are several procedures that are not written down, but some are. He explained that he wants Daphne Hamlin to write down her processes in case someone else had to do her job.
 - Todd Rolan asked about a pole that it in the middle of the road in Camden Park.
 - Ben White stated the pole is important in order to get power to another location. The power lines would have to be completed before the pole could be removed. He explained there is another area as well where the lift station is that is out of place. The lift station at the Camden location will be removed and not used and once it is removed they will pour the rest of the street. He stated the City could ask them to place barriers around the pole.
 - Todd Rolan stated barriers needed to be up so no one would run into the pole, especially at night.
 - Motion to approve the Public Works Report and the City Manager's Report made by Michael Hesse
 - 2nd to approve was Todd Rolan
 - All council members voted in favor

IV. INFORMATIONAL ITEMS

These Informational Items are intended solely to keep the City Council apprised of the actions and efforts of the various boards and commissions serving the City of Farmersville. Council members may deliberate and/or request further information or clarification regarding any one or more of the items contained in this provision. City Council approval of, or action on, these items is not required or requested.

- A. FEDC (4A) Financial Report
- B. FCDC (4B) Financial Report
- C. Main Street Report
- D. Planning & Zoning Commission Minutes
 - Craig Overstreet asked Alan Lathrom if there was a way to include reports from the boards on the agenda.
 - Alan Lathrom stated we could add a place in the agenda for the liaisons to give a report to Council.

V. PUBLIC HEARING

- A. Public hearing to consider, discuss and act upon Ordinance #O-2018-0626-001 regarding a recommendation from the Planning & Zoning Commission for a request for rezoning of approximately 6.74 acres of land that is generally located on the south side of Audie Murphy Parkway (U.S. Hwy 380) and west of County Road 607, which land is more particularly identified as Lot 4 of the Farmersville Market Center II Addition, from HC – Highway Commercial District uses to MF-2 – Multifamily Residence – 2 District uses for an 80 unit apartment complex.
 - Mayor Rice opened the public hearing at 6:24 p.m.
 - Ryan Combs with Palladium USA International addressed Council and stated he was excited to place this project in Farmersville. He is trying to bring a \$13 million development to the neighborhood. Many communities are trying to receive the same funding in order to build their projects. He indicated when they submitted their application for funding they were behind two other locations. He explained they are ready to move forward because it looks like the funding is coming through. He stated they have properties in the DFW area and oversees. He said that does understand citizens' concerns, but they manage their properties themselves. One of the facilities has been managed by Palladium for over 20 years. He indicated they do background checks on everyone that lives in their facilities. He works with Apartment Life and his company's model is to develop and maintain properties long term. Apartment Life helps them make connections with churches and other organizations to get people into their apartments and manage them. They give a free apartment to a courtesy police officer and the manager. He stated the timeline for the project consisted of getting the

- zoning approved and then start all the development drawings. He indicated they want to obtain building permits by the spring and start building then.
- Craig Overstreet asked about screening of the property.
 - Ryan Combs stated they will comply with what every the local Ordinances require.
 - Mike Hurst asked if they would be similar to the apartments that were visited in Aubrey.
 - Ryan Combs stated they would be.
 - Mike Hurst asked about the quality of the apartments and if they plan on the same high quality in Farmersville. He explained they have a gated community, pool, outdoor grilling, and other amenities.
 - Ryan Combs stated Farmersville would be receiving the same quality. He explained they will build to the highest quality now, because they will have to maintain the same level years down the road.
 - Mike Hurst said that longevity is the concern of some residents of the City. He wanted to know how long it would take for updates of the property in the future.
 - Ryan Combs stated they manage the properties with updates in mind. They closed a deal in Denton and Palladium had to put aside money for maintenance items such as landscaping that might need to be replaced, roofing, painting, and other items that might need repaired or upgrading.
 - Mike Hurst asked if those items are contractual.
 - Ryan Combs stated their investors are big institutional banks like JP Morgan and Chase and they require them to place funds aside for maintenance.
 - Mike Hurst also asked if putting aside money was a requirement from the State in order to receive the funding.
 - Ryan Combs explained the State would come out once a year to inspect and make sure the facility is well managed and taken care of.
 - Donny Mason asked if they have received funding yet.
 - Ryan Combs indicated the funding would be awarded at the end of July.
 - Donny Mason asked when they would start construction.
 - Ryan Combs stated they would have to have building permits in hands before they could close on the property, according to their investors. They would start construction in the spring of 2019. It would take a year to build and they will start leasing apartments six months into construction.
 - Craig Overstreet asked if the prosed zoning change had gone through the Planning & Zoning Commission.
 - Alan Lathrom stated the zoning request did go before the Planning & Zoning Commission and they recommended approval.
 - Johnny Feagin wanted to state that money does not show moral character.
 - Cindy Dickens indicated that with Collin College coming people said apartments would be coming, but she indicated the college students could not afford the apartments. She was concerned the apartments would not be affordable and people would not live there.

- Ryan Combs explained that one of the benefits of the funding program they are going through is that it allows them to charge the amount of rent that is compatible with apartments that have already been in the market for 30 years. From a financial stand point he knows they will be able to lease the apartments.
- Michael Hesse asked about previous discussions that took place where Ryan Combs had indicated they could add more apartments to this property later.
- Ryan Combs stated they would not add units to this development, but they would possibly come back and do a phase two on a separate property.
- Randy Smith who resides at 508 CR 610 stated he believes the State would have looked at the company's financial data and he believes it will be a great development that would allow people to live in quality housing. He indicated this development would allow professionals to live in a nice facility until they could built their homes.
- Mayor Rice asked if anyone else wanted to speak for or against the item. No one came forward so he closed the public hearing at 6:47 p.m.
- Michael Hesse just wanted to reiterate that the property was currently zoned Highway Commercial and he would rather look at apartments instead of a commercial building if he lived around the area. He understands the citizens' fears, but he knows the property will eventually be developed and it might be something that is less desirable.
- Mike Hurst stated several people from the City went and toured the Palladium facility in Aubrey and they were pleased with what they saw. He feels if Palladium builds the same product that is in Aubrey the citizens in Farmersville would be pleased with what they build. He stated the Council has listened to the concerns of the citizens and he wants to be a part of a City that will grow and one that everyone can be proud of. The area along U.S, Highway 380 has a lot of Highway Commercial and if it was developed as all commercial it might not be as advantageous as an apartment complex. He also stated Farmersville needs housing for people and giving someone a nice apartment would be a good thing. The apartments we saw in Aubrey would be geared toward school teachers, police officers, and other professionals. He stated he believes the development will give Farmersville something to be proud of. He stated the projection for U.S. Highway 380 is not set to develop for several years. He explained that it is the job of the City Council to acquire good quality housing for people in Farmersville. He pointed out that the Planning & Zoning Commission agreed to rezone as well.
- Donny Mason said over the years when he worked in education he had teachers and coaches coming to them all the time inquiring about places to live.
- Mayor Rice read the Ordinance title block to the audience.
 - Motion to approve the rezoning request to MF-2 – Multifamily Residence – 2 made by Mike Hurst

indicated the City could transfer money from one place to another to bring the deficit back up. It is common to have a deficit at times. On item 9 he stated he was going to work with Daphne Hamlin about reconciling old information.

- Craig Overstreet asked if there are written procedures in place for writing off these items.
- Ben White and Louis Breedlove stated there were no written procedures.
- Craig Overstreet explained the City needs those procedures in place. He also asked about the FEDC and FCDC funds.
- Louis Breedlove stated they are two separate accounts but it could easily cross over. He explained it took them extra steps to find the information they were looking for. He indicated they did not find any errors in the accounts.
- Ben White explained the funds are separated into two different accounts. The auditors would like to see the separation on a higher level to minimize errors.
- Craig Overstreet asked about the utility bill deposit.
- Louis Breedlove stated there was an adjustment of approximately \$20,000. When refunds are made some of the checks come back because people move. The money in those accounts where the money is not claimed needs to be forwarded to the State and cleared out of the City's account.
- Mike Hurst asked how the City would get the money to the State.
- Louis Breedlove explained there is one check that would be sent to the Comptroller with a report showing the amounts. He would recommend a year marker to send the refunds to the Comptroller.
 - Motion to accept the audit report made by Craig Overstreet
 - 2nd to approve was Todd Rolen
 - All council members voted in favor

B. Consider, discuss and act upon the election of Mayor Pro-Tem and Deputy Mayor Pro-Tem/Treasurer.

- Sandra Green indicated she realized they had voted for Mayor Pro-Tem and Treasurer at the previous meeting. She stated it was placed on this agenda to elect the Deputy Mayor Pro-Tem/Treasurer at the same time.
- Donny Mason suggested they leave it the same as they voted at the previous meeting. He indicated they voted Mike Hurst for Mayor Pro-Tem and Michael Hesse for Deputy Mayor Pro-Tem/Treasurer.
 - Motion to approve Mike Hurst as Mayor Pro-Tem and Michael Hesse and Deputy Mayor Pro-Tem/Treasurer made by Craig Overstreet.

- 2nd to approve was Donny Mason
- All council members voted in favor

C. Consider, discuss and act upon renaming the north-south portion of Bob Tedford Drive.

- Ben White stated when Camden Park was naming their streets the road in Camden Park which is existing Bob Tedford is named Harvard Blvd. He has spoken with Robbie Tedford and he stated it would be fine if the City renamed that portion of the road. The drive going north would be changed to Harvard Blvd. and the road to the east would still be Bob Tedford Drive. This would allow everyone to keep their current addressing.
- Donny Mason stated it would be less confusing if the City changed the road going north to Harvard Blvd.
- Michael Hesse is not fond of the name Harvard Blvd.
- Ben White explained the developer's choose the names and they typically have a theme. He stated it would be an option to have Camden change to Bob Tedford Drive.

- Motion to approve the north and south portion of Bob Tedford Dr. to Harvard Blvd. made by Craig Overstreet
- 2nd to approve was Donny Mason
- All council members voted in favor, but Michael Hesse indicated he reluctantly voted in favor.

D. Consider, discuss and act upon a Final Plat for the Brannum Addition, Lots 1-5, Block 1.

- Ben White stated this was previously in front of Council to incorporate all the property into the City's ETJ and it was approved. He stated the plat did go through the Planning & Zoning and it did pass. He indicated in the future Sandra Green will place information on the cover page of an item on the Council agenda showing the Planning & Zoning Commissions decision.
- Craig Overstreet stated the owners were subdividing the property into five lots.
- Ben White stated yes and they have utilities and they are going to subdivide and sell the lots.
- Alan Lathrom clarified that the property is all unplatted and they are going from unplatted to five platted lots.

- Motion to approve made by Craig Overstreet
- 2nd to approve was Michael Hesse

- All council members voted in favor
- E. Consider, discuss and act upon Resolution #R-2018-0626-001 regarding the Texas New Mexico suspension of requested rate change.
- Ben White explained that several cities have asked Attorney's Lloyd Gosslink Rochelle & Townsend, P.C. to represent the City in regards to the Public Utility Commission (PUC) and rate increases. The City does not pay them to represent them. He indicated they get paid by the PUC. Lloyd Gosslink Rochelle & Townsend has asked the City to approve a Resolution to give them more time to negotiate rates. There are citizens in Farmersville that the rate change will affect.
 - Craig Overstreet asked if the July 5th date for the rates becoming effective would be placed on hold.
 - Alan Lathrom stated yes.
 - Motion to approve made by Craig Overstreet
 - 2nd to approve was Michael Hurst
 - All council members voted in favor
- F. Consider, discuss and act upon past due commercial electric bills.
- Ben White stated the City has sent out notices to commercial businesses that have failed to pay after they closed. One has responded and has paid the City \$2,000.00 out of \$5,000.00. All the accounts have balances of approximately \$1,500.00. He also stated the number of payment plans for utility bills has gone down since he has been City Manager. The amount of payment plans has gone from over 49 to 6 customers.
 - Michael Hesse asked how old some of the bills were.
 - Ben White stated they dated back to November of last year.
- G. Consider, discuss and act upon City organization structure and personnel update.
- Ben apologized for the errors in the report that was first sent out with the agenda packet. He told Council the errors had been corrected.
 - Craig Overstreet stated the Deputy Mayor Pro Tem designation needed to be added.
 - Ben White started going over the chart.
 - Craig Overstreet stated he did not realize that Kimley-Horn was retained for Long Term Planning. He also asked how much the contract was for.
 - Ben White stated it is not a full contract.

- Michael Hesse explained it was set up as an “as needed” service. He stated that one day the City will hire a full time person for Engineering and a full time person for Planning.
 - Alan Lathrom explained the City has Professional Services Agreements for Engineering and Planning. That allows the City to ask those companies to do work for us when it is needed.
 - Ben White stated we could use Kimley-Horn for a long range planning activity at any time if we wanted to. He also stated that he forgot to add Mow Time to the Public Works as a contractor for mowing.
 - Mike Hurst asked for a dollar amount for the City Engineer or a City Planner. He wanted to know if it would be possible to move the positions in house.
 - Ben White stated that would not be feasible right now. He stated that projects need to be spread out. Sometimes the City would need an Engineer to complete a project in two months and sometimes it would require a 12 months. He stated if the City started spending more than \$1 million then it might be feasible to hire an Engineer to take care of all the contracts.
 - Michael Hesse stated he had also wondered why we have not hired someone at this point. But, he realizes there are several items the City has to take care of at one time.
 - Craig Overstreet explained hiring someone for Engineering and/or Planning is something that could be reviewed every year and Council could make a determination at that point.
 - Craig Overstreet stated that turnover is not bad at the City and he commended Ben and senior staff for retaining employees.
- H. Consider, discuss and act upon street repairs near Fisd schools.
- Craig Overstreet brought this item to the Council to find out about the crosswalks being painted and the phone booth progress for the Crossing Guard shelter.
 - Chief Sullivan stated they are waiting on the roof for the phone booth.
 - Ben White stated he met with Mr. Adams and has a list of projects that he has recommended. He indicated the City will start working on the list.
- I. Consider, discuss and act upon street repairs by ATMOS.
- Ben White spoke with ATMOS and they wait for several projects to pour concrete on those jobs. He told them if they are waiting on concrete the City would help.
- J. Update on Hamilton Street.

- Craig Overstreet asked what the legality was and whether the City could get out of the contract.
- Alan Lathrom stated that instead of a 5 year term, we set it up for 5 – 1 year terms and the City could cancel with 30 days notice. It would leave the City an opportunity to get out of the contract if it was not funded in the budget every year.
 - Motion to approve made by Donny Mason
 - 2nd to approve was Todd Rolan
 - All council members voted in favor

VII. EXECUTIVE SESSION

- Mayor Rice read the statement below and stated the City Council would enter into executive session at 8:31 p.m.

Discussion of Matters Permitted by Texas Government Code Section 551.071, CONSULTATION WITH ATTORNEY:

1. Discussion of matters protected by the attorney-client privilege:
 - a) Discussion of laws applicable to platting and cemeteries.

VIII. RECONVENE FROM EXECUTIVE SESSION AND DISCUSS/CONSIDER/ACT ON MATTERS DISCUSSED IN EXECUTIVE SESSION PERMITTED BY SECTION 551.071 OF THE TEXAS GOVERNMENT CODE.

- Mayor Rice stated City Council would reconvene from Executive Session at 8:51 p.m. and no action would be taken.

IX. REQUESTS TO BE PLACED ON FUTURE AGENDAS

- Craig Overstreet wanted an item on the agenda about receiving timely information from other boards.

➤ **ADJOURNMENT**

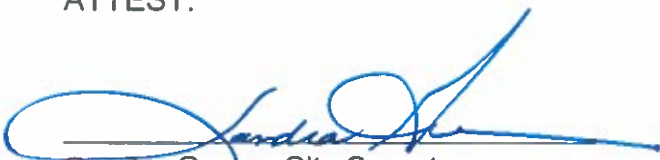
Meeting was adjourned at 8:52 p.m.

APPROVE:



Jack Randall Rice , Mayor

ATTEST:



Sandra Green, City Secretary

