

REGULAR MEETING
AUGUST 23, 2011

Mayor Jeff Bearden called the Regular Meeting of the City Commission to order at 6:30 p.m. in the Commission Chambers, and a quorum was declared present.

Present: Mayor Jeff Bearden

Commissioners: Jimmy Dennis, Russell Brownlow, Travis Taylor and Phil McCuiston

Staff Present: City Manager Mitch Grant, City Attorney Trish Byars, Fire Chief Kent Smead, Police Chief Tom Wilson, Public Works Director Bob Cochran, Community Development Director Monica Wilkinson, Main Street Director Dan Kelleher, and City Secretary Linda Byers.

Commissioner Dennis led the group in the Pledge of Allegiance to the U.S. and Texas flags, followed by the invocation.

PUBLIC COMMENT

Mayor Bearden opened the meeting to Public Comment from those who had submitted Requests to Speak during Public Comment Forms.

During Public Comment Mayor Bearden read a Proclamation in remembrance of the September 11 tragedy.

CONSENT AGENDA

Commissioner Brownlow moved the following items under the Consent Agenda are approved:

- A. Minutes of the Regular City Commission Meeting held on Tuesday, July 26, 2011; Special Meeting held on Friday, August 5, 2011; Special Meeting held on Monday, August 15, 2011 and the Finance Meeting held on Monday, July 25, 2011.
- B. Contract with Kimley-Horn and Associates, Inc. for Phosphate Monitoring Engineering as required by TCEQ Wastewater Permit renewal.
- C. Contract with Kimley-Horn and Associates, Inc. for engineering for electrical repairs at the ION Exchange / Pump Station.
- D. Removed for separate consideration.
- E. Second Reading of Ordinance No. 1567 regarding Atmos Rate Review Mechanism (RRM) filing.
- F. Financial Investment Report for the month of July, 2011 with interest earned totaling \$7,145.30 and vouchers from July 1, 2011 – July 31, 2011 in the amount of \$725,877.41.

Commissioner Taylor seconded the motion to approve the consent agenda with the exception of item D, which passed by unanimous vote.

CONSENT AGENDA – ITEM D

City Manager Grant explained that Mr. Freeman was unable to get the pipe installed for this budget amendment, and the pipe would be returned, thus this budget amendment is not necessary. He recommended that the commission not approve this budget amendment.

Commissioner Dennis made the motion to approve, which died for lack of a second.

DILAPIDATED STRUCTURES PROCESS CHANGES

Community Development Director Wilkinson explained that the Supreme Court of Texas ruled against the City of Dallas and in favor of a property owner whose abandoned house had been condemned and demolished by the city. The Court ruled that the City of Dallas committed a “taking” by condemning and demolishing the abandoned house without just compensation.

The Texas Municipal League is advising all cities of the case and encouraging them to evaluate their condemnation proceedings. Dallas is asking for a rehearing, but until the case is heard again, it would be in the best interest of the City of Vernon to postpone our current condemnation hearings.

BRINE DISCHARGE CONSTRUCTION REPORT

Public Works Director Cochran reported that we are awaiting a bid package for review from Kimley-Horn and Associates, which is well within the time frame required by TCEQ.

AQUATICS CENTER CONSTRUCTION REPORT

Public Works Director Cochran reported that all waterlines had been relocated, and AEP has relocated their line. The security fencing is in place and although it blocks the west entry door, does not seem to be a problem thus far.

FEASIBILITY OF TAX ABATEMENT ZONE MODIFICATIONS

City Manager Grant reported that the current Tax Abatement Zone is from North of Wilbarger to the city limits and from Bentley St. east to the city limits.

Robert Wood with the Texas Comptroller’s Office recommended that we change the criteria. We cannot change the Tax Abatement Zone once it is in place, but we could change our criteria. He suggested that we involve other taxing entities when changing our criteria in hopes of enticing some additional retail type businesses.

TAX INCREMENT FINANCING DISTRICT

Main Street Director Dan Kelleher requested that the City Commission direct the City staff to study, and, if feasible, act directly, or in conjunction with other community groups, to establish a Tax Increment Financing (TIF) district that includes downtown Vernon. Mr. Kelleher explained the financial impact and analysis of TIF Districts.

There was a short discussion and Mayor Bearden noted that the Commission doesn't want to make businesses not want to invest if taxes go up.

Commissioner McCuiston made the motion to approve staff to conduct a feasibility study regarding Tax Increment Financing Measures as recommended by the Main Street Advisory Committee.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

MAIN STREET FAÇADE IMPROVEMENT GUIDELINES

Main Street Director Kelleher explained that the Main Street Façade Improvement Matching Grant Program involves design assistance and matching funds. Applicants will be offered free design assistance provided by the Texas State Main Street Program, which will result in the preparation of a design rendering of the proposed project and a simple project guideline. This graphic and written project outline will then be attached to a simple program application, which will then be submitted for consideration and approval by the City Commission. Applicants who are awarded grants will be given dollar-for-dollar matching grants to help fund façade improvements described in the applications. Only projects that are considered eligible projects under the Texas State Main Street Program will be eligible to receive matching grants under this program, and must involve the restoration of a building façade in the Main Street District to its original condition.

Mr. Kelleher noted that there was currently \$17,000 available funding for this program.

Commissioner Brownlow made the motion to approve the Main Street Façade Improvement Guidelines.

Commissioner McCuiston seconded the motion, which passed by unanimous vote.

MAIN STREET PHYSICAL IMPROVEMENT GUIDELINES

Main Street Director Kelleher explained that the Main Street Physical Improvement Deferred Matching Loan Program involves design assistance and matching funds. Applicants will be offered free design assistance that will be provided by design consultants hired by the Vernon Main Street Office and funded through local program funds. This design assistance will result in a design rendering and a simple project outline, which would then be attached to a program application and submitted for consideration and approval to the City Commission to make a final decision about which grants to award.

Applicants who are awarded grants will be given dollar-for-dollar matching funds in the form of a loan that will be forgiven over the span of three years if certain conditions are met. Only projects that are not considered eligible projects under the Texas State Main Street program will be eligible to receive funds under this program. Examples would be restoration of a building, but not to its original condition, beautification projects, landscape or hard-scape improvement, or enhancements to an open park or plaza. There is currently no funding for this project.

Mayor Bearden questioned the approval process - whether the Commission could delegate the approval process to a committee. Mr. Kelleher noted that the City Commission would not see any applications until both the Main Street Advisory Board and Vintage Vernon had made their recommendation.

Commissioner McCuiston made the motion to approve the Main Street Physical Improvement Deferred Matching Loan Program Guidelines.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

CONTRACT FOR GIS MAPPING

City Manager Grant explained that the City needed some additional work done to line up our parcel shapefile with our aerial raster data file on our GIS mapping project. Pritchard & Abbott, Inc. has submitted a proposal for \$6,200. This final step will make our GIS even more functional and will add to the usefulness of the system. Funds were budgeted for operation of the GIS.

Commissioner Dennis made the motion to approve the contract with Pritchard & Abbott, Inc for completion of the GIS project.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

BUSINESS DEVELOPMENT CORPORATION BOARD APPONTMENTS

City Manager Grant explained that Robert Webb and Bobby Crews have both agreed to serve another three year term on the Board.

Following discussion of term limits, Commissioner Taylor made the motion to approve reappointment of Robert Webb and Bobby Crews to the Business Development Corporation Board.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

HOUSING AUTHORITY BOARD APPOINTMENTS

City Manager Grant explained that Iva Belew has agreed to another two year appointment and Carla Jackson has agreed to serve as a Resident Board member to replace Danny Vanek.

Commissioner McCuiston made the motion to reappoint Iva Belew to the Housing Authority Board and to appoint Carla Jackson as new Resident Board Member.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

LOCAL PURCHASING PREFERENCE POLICY

City Manager Grant noted that a local purchase preference policy had been discussed with the Division Directors, and with the "Buy Local" campaign, he recommended setting a local preference policy of 5%. It is important to give staff direction when making purchasing decisions.

Commissioner McCuiston made the motion to approve a 5% local purchase preference.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

EMERGENCY REPAIRS TO RESCUE 1

Fire Chief Smead requested funds for the emergency repair of Unit #302, Rescue 1, a 2000 Freightliner with a Caterpillar engine. The engine on this unit is leaking water from the block again. The warehouse has attempted to stop the leak on this engine, but has requested the engine be replaced. Estimated cost of repairs/replacement is \$22,000. Mr. Grant said that we could amend the budget from fund balance in the current fiscal year.

Following discussion of the needed repairs, Commissioner McCuiston made the motion to approve the emergency repairs.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

2011-2012 BUDGET DISCUSSION

City Manager Grant outlined the 2011-2012 Budget.

- Total proposed budget is \$13,613,282.
- Includes a 2% overall increase in water and sewer rates.
- Adopting the effective tax rate of \$0.360944/\$100 valuation - which is almost a \$0.01 cent drop from last year.
 - General Fund \$6,473,179 – up 2.6%
 - Enterprise Fund \$6,348,855 – up 3.3%
 - Hotel/Motel Funds \$285,000 – up 22.5%
 - Debt Service Fund \$1,272,873 – up 4.2%
 - Electric Trust Expense Fund \$233,360 – up for use in pool construction

- SRF 94 Water Bond Fund \$272,888 – pool construction
- Fire Station & Pool Bond \$149,881 – pool construction

- Major Capital Purchases include (*financed)

- Street Department Dump Truck* \$60,000
- New Street Paving (Lorance) \$45,000
- (2) Police Vehicles* \$50,000
- Fire Department Repeater & Radios* \$57,000
- Fire Department Hose \$ 6,000
- Fire Department Station Alarm* \$16,000
- EMS Defibrillator/Cardiac Monitor* \$30,000
- Wood Chips for Allingham Park \$ 9,000
- Aquatic Center \$1,380,000
- Barricades \$ 6,000
- Water/Sewer Service Truck* \$22,000
- Wastewater Truck w/crane* \$30,000
- Generators for wells \$97,900(paid from 2009 Construction Bond)
- Generators/hookups for lift stations \$25,000(paid from 2009 Construction Bond)

- Other notable expenditures:

- Complete ISO Consultant work \$ 8,500
- Continue Seal Coat Project \$150,000
- Match for PD Communication Grant \$ 13,176
- Partial Year chemicals-Nitrate plant \$130,000
- Fire Hydrant replacement \$ 10,000
- Operation costs for Aquatic Center \$108,000

- Personnel expenditures do not include a cost of living raise, but does continue our Step-and-Grade increases of 2%. Also included is a new parks maintenance employee at a cost of \$21,000 and a new Associate Judge/Clerk position and reduction of Judge hours at a cost of \$15,000.

There was discussion of property values and tax rates, and appreciation of the work that went into the preparation of the budget.

PUBLIC HEARING – 2011-2012 BUDGET

Mayor Bearden opened the meeting for Public Comment on the Budget.

There were no public comments, and Mayor Bearden closed the Public Hearing.

ORDINANCE NO. 1570

AN ORDINANCE ADOPTING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2011, AND THROUGH SEPTEMBER 30, 2012, FOR THE CITY OF VERNON; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGETS; ESTABLISHING AND ADOPTING AN OFFICIAL CLASSIFICATION PLAN FOR ALL POSITIONS AND ABOLISHING ALL POSITIONS NOT LISTED IN SAID BUDGETS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; DECLARING AN EMERGENCY AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner McCuiston made the motion to approve Ordinance No. 1570.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

ORDINANCE NO. 1571

AN ORDINANCE APPROVING THE 2011 TAX ROLL; LEVYING AD VALOREM TAXES ON ALL TAXABLE PROPERTY IN THE CITY OF VERNON, TEXAS, FOR THE YEAR 2011; PROVIDING FOR THE MAILING OF TAX STATEMENTS; FIXING THE DUE DATE AND TIME OF PAYMENT THEREOF, AND PROVIDING FOR THE COLLECTION OF TAXES, A SAVINGS CLAUSE, A REPEALING CLAUSE, RECORDING, DECLARING AN EMERGENCY, AND EFFECTIVE DATE.

Commissioner Dennis made the motion to adopt the effective tax rate \$0.360778 per \$100 in valuation and approve Ordinance No. 1571.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

ORDINANCE NO. #1568

AN ORDINANCE AMENDING SECTION 54-152 OF ARTICLE V – WATER OF CHAPTER 54 AND SECTION 54-62 OF ARTICLE III – SEWERS OF CHAPTER 54 – UTILITIES, OF THE CODE OF ORDINANCES OF THE CITY OF VERNON; PROVIDING FOR A REPEALING SECTION; A SAVINGS SECTION; A RECORDING SECTION; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Taylor made the motion to adopt Ordinance No. 1568.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

ORDINANCE NO. 1569

AMENDING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2010, AND THROUGH SEPTEMBER 30, 2011, FOR THE CITY OF VERNON; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGETS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

City Manager Grant noted that this ordinance amends the 2010-2011 budget and adopts the 12 month estimate included in the 2012 Fiscal Budget.


Commissioner Brownlow made the motion to approve Ordinance No. 1569.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

ADJOURN

Commissioner McCuiston made the motion to adjourn the meeting at 7:30 p.m.

Commissioner Taylor seconded the motion, which passed by unanimous vote.



Jeff Bearden
Mayor

ATTEST:



Linda Byers
City Secretary