

**VERNON CITY COMMISSION  
REGULAR MEETING  
JUNE 21, 2016**

Mayor Joe Rogers called the Regular Meeting of the Vernon City Commission to order at 6:30 p.m. in City Hall, and a quorum was declared present.

Present: Mayor Joe Rogers

Commissioners: Guy Spears, Ruben Hinojosa, Travis Taylor and Britt Ferguson.

Staff Present: City Manager Joseph Jarosek, City Prosecutor Jonathan Whitsitt, Police Chief Tom Wilson, Fire Chief J.J. Oznick, Public Works Director Darell Kennon, Finance Director Anne Garmon, Community Development Director Monica Wilkinson, Tourism and Main Street Director Brandy McIntyre, Municipal Judge Lori Adams and City Secretary Linda Byers.

Commissioner Ferguson led the group in the Invocation and the Pledge of Allegiance to the U.S. and Texas flags.

**PUBLIC COMMENT**

Molly Baldwin commented that she was against eliminating water restrictions and lowering water rates due to the continuing need for financial and water security. She also thanked the Pride Committee for their work in painting the downtown flower pots.

**CONSENT AGENDA**

Commissioner Spears made the motion to approve the consent agenda.

- A. Minutes: Attached are Minutes of the Regular City Commission Meeting held on Tuesday, May 24, 2016; Minutes of the Special City Commission Meeting held on Tuesday, June 7, 2016; and Minutes of the Finance Meeting held on Tuesday, May 24, 2016.
- B. Contract for Medical Director for Vernon Fire/EMS.
- C. Second Reading of Ordinance No. 1688 Approving a Negotiated Settlement and the Rate Review Mechanism (RRM) with Atmos Energy Mid-Tex Division.
- D. Second Reading of Ordinance No. 1689 Approving Change in Main Street Advisory Board.
- E. Second Reading of Ordinance No. 1690 Approving the Sale of 2400 Olive St. to Frances Carr, the Sale of 1403 Mesquite St. to Lynn Hickey, the Sale of 2118 Pease St. to Gloria Holland, the Sale of 2418 Fannin St. to Ken Turner and the Sale of 2306 Wichita Street to Charles Smith, Jr..
- F. Financial Investment Report, Vouchers, and Payroll & Benefit Expense. May 1, 2016 – May 31, 2016.

Digital Recording on file

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

**NON-TWENTY-FOUR HOUR TERMINAL AGENCY AGREEMENT**

Police Chief Wilson and City Manager Jarosek explained that this agreement between the City and Vernon College will allow the college to use city dispatchers to run license checks. City Prosecutor Whitsitt recommended approval pending legal review.

Commissioner Hinojosa made the motion to approve a Non-Twenty-Four Hour Terminal Agency Agreement between Vernon College and the City of Vernon Police Department pending legal review.

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

**MUTUAL AID LAW ENFORCEMENT AGREEMENT -VERNON COLLEGE**

Chief Wilson explained that this agreement would allow City of Vernon Police Officers to come to the aid of Vernon College Police and also allow the Vernon College Officers to aid the City.

Commissioner Hinojosa made the motion to approve Mutual Aid Law Enforcement Agreement with Vernon College pending legal review.

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

**BANK DEPOSITORY CONTRACT**

Finance Director Anne Garmon explained that the city advertised for depository contract bids, and received only one proposal. The Waggoner National Bank proposed a contract with three options for a two year contract or three options for a four year contract. There would be no charge for any services offered by the bank.

Two Year Options:

1. Floating Fed Funds rate plus 25 basis points = 0.75%
2. Fixed Rate of 0.85%
3. Hybrid of T Bill rate on future CDs plus 20 basis points AND a fixed rate of 0.50% on remaining funds.

Four Year Options:

4. Floating Fed Funds rate plus 30 basis points = 0.80%
5. Fixed rate of 1.1%
6. Hybrid of T Bill rate on future CDs plus 30 basis points AND a fixed rate of 0.60% on remaining funds.

Digital Recording on file

Following discussion and merits of the various options, Commissioner Spears made the motion to accept the Waggoner National Bank Depository Contract option one with a floating fed funds rate plus 25 basis points.

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

#### **PURCHASE ORDER SOFTWARE AND RELATED COSTS**

City Secretary Byers explained that the City faces problems of unreliable/unstable City Hall internet plus off-site locations having no access to real time financial data. There were two options offered - one from AT&T for fiber optic internet service and one from Santa Rosa Telephone for wireless internet service. Additional costs for Purchase Order Software were also proposed.

Mayor Rogers suggested putting the proposal in next year's budget to compete with other budget requests. Other Commissioners agreed with this suggestion. City Prosecutor Whitsitt noted that just the internet proposal could not be approved due to the wording of the agenda item.

Proposal dies for lack of a motion.

#### **PURCHASE OF A 40FT X 80FT METAL BARN**

City Manager Jarosek explained that the Street Department barn was destroyed during a wind storm. Insurance will pay all costs except the \$2500 deductible. We have received a portion of the insurance proceeds, and the remainder will be reimbursed after construction is completed. Staff is seeking approval to proceed with the project.

Commissioner Spears made the motion to approve purchase of a 40ft x 80ft metal barn and associated electrical and gas needs.

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

#### **TOURISM ADVISORY BOARD APPOINTMENTS**

Commissioner Hinojosa made the motion to accept the resignation of Beau Byars from the Tourism Advisory Board.

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

Mayor Rogers noted that Darrel Wall has withdrawn his application to the Board. Felix Valverde and Molly Baldwin have submitted applications to the Board.

Digital Recording on file

Written ballots were submitted by each commission member. Felix Valverde received three votes from Commissioner Spears, Commissioner Hinojosa and Mayor Rogers. Molly Baldwin received two votes from Commissioner Taylor and Commissioner Ferguson.

Commissioner Hinojosa made the motion to appoint Felix Valverde to the Tourism Advisory Board for an unexpired term.

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

### **MAIN STREET ADVISORY BOARD APPOINTMENTS**

Commissioner Spears made the motion to accept the resignation of Maurice Rosalez from the Main Street Advisory Board.

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

Only one application was received for the Main Street Advisory Board. Commissioner Spears made the motion to appoint Don Wilson to the Main Street Advisory Board for an unexpired term.

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

### **AMENDING CODE OF ORDINANCES CHAPTER 10 ABATEMENT OF DILAPIDATED, SUBSTANDARD STRUCTURES**

City Manager Jarosek explained that the only option we have now to remediate substandard structures is to react to problems. This new proposal will enable the city to be more proactive.

Tourism and Main Street Director McIntyre explained that in 2009 the Local Government Code was amended to include authority to initiate receivership proceedings on hazardous properties. If this authority was added to the City Ordinances, it would allow the City to initiate a law suit on substandard property. Following the law suit, the property would go to a receivership. The City would never own the property. This receiver would rehab the property and could rent the property or sell it similar to tax property sales. The proposal has nothing to do with taxes but just with the hazardous nature of the property. City Prosecutor Whitsitt noted that this would be another tool to deal with these types of hazardous properties.

There was extensive discussion, and all commission members seemed to be in favor of pursuing an ordinance amendment to include this proposal.

### **CHARTER AMENDMENTS**

City Prosecutor Whitsitt recommended that the first step to any possible charter amendments would be to set up a committee of one or two commission members as well as concerned citizens. That committee could also help to explain any amendments to citizens.

Following discussion it was suggested that the committee consist of five members and two commissioners and the Commission should appoint members and begin as soon as possible.

### **FY2016-2017 BUDGET**

City Manager Jarosek requested Commission perspective on what they would like to see included in the FY2016-2017 Budget.

Commissioner Spears does not like the idea of financing anything. He would rather see any surplus money put into fund balance. He would like to be fiscally conservative this year and wait another year to purchase equipment.

Mayor Rogers is not interested in borrowing money but would increase fund balance. Keep the budget static with revenues and expenditures the same and increase fund balance. Capital requests should be put off until we can afford it without loans.

Commissioner Taylor noted that the city is in better shape than last year and would like to reward the employees with a 2% raise.

Commissioner Hinojosa noted that there is an advantage to paying as we go. Appraisal values will be down this year and he would like to see a conservative mode for another year.

Commissioner Ferguson does not want to spend money right now.

Following discussion, all commission members would like to see a pay increase for employees and extra cash would go toward street maintenance.

City Secretary Byers outlined the proposed budget schedule, with the first special meeting on July 12<sup>th</sup> to review FY2015-2016 budget amendments. Other budget workshops would be scheduled following the receipt of certified valued from the appraisal district and the proposal for debt rates for the upcoming budget year. Public Hearings would be required if the tax rate was increased above the effective tax rate.

### **EXECUTIVE SESSION – DELIBERATION CONCERNING REAL PROPERTY - WATER**

Commissioner Hinojosa made the motion to enter Executive Session – Government Code, Title 5, Chapter 551- Section 551.072 – Deliberation Concerning Real Property - Water at 8:05 pm.

Digital Recording on file

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

**RESUME REGULAR SESSION**

Commissioner Taylor made the motion to resume regular session at 8:36 pm.

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

**ACTION FOLLOWING EXECUTIVE SESSION**

There was no action following executive session.

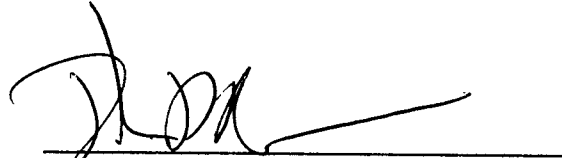
**EXECUTIVE SESSION – DELIBERATION CONCERNING REAL PROPERTY – SALE OF LAND**

There was no motion to enter executive session - Government Code, Title 5, Chapter 551-Section 551.072 – Deliberation Concerning Real Property – Sale of Land.

**ADJOURN**

Commissioner Hinojosa made the motion to adjourn the meeting at 8:37 p.m.

Commissioner Ferguson seconded the motion which passed by unanimous vote.



Joe Rogers  
Mayor

ATTEST:



Linda Byers  
City Secretary