

REGULAR CITY COUNCIL MEETING

SEPTEMBER 16, 2008

7:00 P.M.

A Regular Meeting of the Terrell City Council was held on Tuesday, September 16, 2008 at 7:00 p.m. in the City Council Chambers located at 201 East Nash Street, Terrell, Texas with the following members present:

COUNCILMEMBER #1 HAL RICHARDS
COUNCILMEMBER #2 TOMMY SPENCER – ABSENT (EXCUSED)
COUNCILMEMBER #3 RICKY JORDAN
COUNCILMEMBER #4 JACK JONES
COUNCILMEMBER #5 DON THURMAN

1. Call to order.

Mayor Hal Richards called the meeting to order.

2. Invocation.

Councilmember Ricky Jordan gave the opening prayer.

3. Discuss and Consider Approval of Special City Council Workshop Minutes of August 28, 2008 and Regular City Council Meeting Minutes of September 2, 2008.

Deputy Mayor Pro tem Don Thurman made a motion to approve Special City Council Workshop Minutes of August 28, 2008 and Regular City Council Meeting Minutes of September 2, 2008 with the change to August 28th Special Workshop Minutes - Page 3 of 3, Item No. 15 to insert the word Hospital . The motion was seconded by Mayor Pro tem Jack Jones. Ayes – all; Nays – none. Motion carried.

August 28, 2008 Special City Council Meeting and Workshop

15. *Reconvene into Regular Session and Consider Action, if any, on Item Discussed in Executive Session.*

Councilmember Ricky Jordan made a motion to authorize the City Attorney to take appropriate action in terms of the Hospital lease and authorize the City Manager to implement a new lease, if necessary. The motion was seconded by Councilmember Tommy Spencer. Ayes – all; Nays – none. Motion carried.

4. Hear Remarks from Visitors.

Don Wilson representing Pace Realty Management for Heather Lane and Tiffany Square, 101 Tiffany Circle, Terrell, Texas 75160 expressed company concern over this inspection fee, indicating the fee is higher than any inspection program for this area and requested Council reconsider the fee and pattern the program after Richardson or Dallas where the initial fee is low but the failing fee is high.

Amanda Bowden, Property Manager representing Terrell Senior Terraces, 260 FM 2578, Terrell, Texas 75160 supports the ordinance but requested Council consider lower fee as the company has a restricted cash flow and reconsider the inspection process for those apartment units that have a good track record.

NEW BUSINESS

5. **Discuss and Consider Approval of a Construction Plat for Oak Point Estates, Generally Located at the Southwest Corner of County Road 303 and County Road 304, Being a 41.4180 Acre Tract of Land Conveyed to Shepherd Place Homes, Inc. as recorded in a Deed in Volume 3044, Page 458 of the Deed Records of Kaufman County and Being Situated in the J.C. Hale Survey, Abstract No. 202, City of Terrell, Kaufman County, Texas.**

Terry Capehart, Director of Municipal Development presented to Council for discussion and consideration a Construction Plat for Oak Point Estates, Generally Located at the Southwest Corner of County Road 303 and County Road 304, Being a 41.4180 Acre Tract of Land Conveyed to Shepherd Place Homes, Inc. as recorded in a Deed in Volume 3044, Page 458 of the Deed Records of Kaufman County and Being Situated in the J.C. Hale Survey, Abstract No. 202, City of Terrell, Kaufman County, Texas. Mayor Pro tem Jack Jones made a motion to approve a Construction Plat for Oak Point Estates, Generally Located at the Southwest Corner of County Road 303 and County Road 304, Being a 41.4180 Acre Tract of Land Conveyed to Shepherd Place Homes, Inc. as recorded in a Deed in Volume 3044, Page 458 of the Deed Records of Kaufman County and Being Situated in the J.C. Hale Survey, Abstract No. 202, City of Terrell, Kaufman County, Texas. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

6. **Discuss and Consider Approval of Ordinance No. 2385 - Amending Chapter 4, Building Regulations by Adding Section 4-31, Minimum Property Maintenance and Safety Standards.**

City Manager Torry Edwards and Terry Capehart, Director of Municipal Development presented to Council for discussion and consideration Ordinance No. 2385 – Amending Chapter 4, Building Regulations by Adding Section 4-31, Minimum Property Maintenance and Safety Standards. Kathy Carlton representing the Apartment Association of Greater Dallas presented the following letter to Council:

Honorable Mayor Hal Richards and City Council
City of Terrell
201 Nash St.
Terrell, TX 75160

September 16, 2008

Dear Mayor and City Council Members:

The Apartment Association of Greater Dallas is a trade association representing the interests of apartment owners and managers. We represent over 1600 members that operate in excess of 410,000 units in an eleven county region that includes Terrell. We attended the September 8th meeting for all apartment owners and managers to discuss a proposed apartment inspection program. We are very please that the city though to include the stakeholders in any discussion that involved our businesses.

At that meeting, staff members Terry Capehart and Jerry Persall reviewed the draft ordinance and how it would be carried out. Mr. Capehart had forwarded a copy of the ordinance prior to the meeting, so we had time to review it and prepare any comments. I would like to take this time to thank Mr. Capehart, who listened to each and every concern, made notes, and was willing to make the changes necessary to ensure that the ordinance was as fair as possible. Although our members are never excited about a new governmental program, we believe that this is one that we can live with. We are also very pleased to see that the city has included resident responsibilities and his holding them accountable for their living conditions. We suggested adding a caution about disabling smoke detectors by removing batteries, and are happy to report that staff included this.

We have just two concerns. We understand that during the first year, each and every unit will be inspected to establish a benchmark. Staff has indicated that after the first year, it is possible that only a certain percent of the units on each property will be inspected. We certainly encourage the city to take this step. Inspecting every unit is time consuming for the management, costly for the city, an intrusion for the resident, and rarely produces any additional benefits. Most cities inspect a random sampling of the units, inspecting more if significant problems arise.

Our second concern is the annual fee for this inspection. As the ordinance currently reads, the city proposes a charge of \$15 per unit. Each year, AAGD conducts a survey of 23 area cities asking what their programs cost. I have provided a copy of the most recent survey to Mr. Capehart, which clearly shows an average inspection fee of \$10 among cities with similar programs. If you approve a fee of \$15, you will have the highest inspection fee in the Metroplex, if not the entire state. Our preference would be to pattern the program after one such as in Richardson or Dallas, where the initial fee is low, but the failing fee is quite high. We believe that this arrangement rewards the good operators while aggressively punishes the poor operators.

Thank you for allowing input from the apartment community on the draft of this inspection ordinance. We hope to work together with the city on a program that is acceptable to everyone, and that produces a win-win situation for all involved.

Sincerely,

Kathy Carlton
Director of Government Affairs

Deputy Mayor Pro tem Don Thurman made a motion to approve Ordinance No. 2385 – Amending Chapter 4, Building regulations by Adding Section 4-31, Minimum Property Maintenance and Safety Standards with the stipulation that staff revisit the fee schedule and the schedule of inspections based upon compliance with the ordinance. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

ORDINANCE NO. 2385

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS AMENDING CHAPTER 4, BUILDING REGULATIONS, TERRELL CITY CODE REVISED: BY ADDING SECTION 4-31, MINIMUM PROPERTY MAINTENANCE AND SAFETY STANDARDS FOR MULTI-FAMILY STRUCTURES; PROVIDING FOR INSPECTIONS OF ALL MULTI-FAMILY DWELLING UNITS AND MULTI-FAMILY PREMISES; PROVIDING FOR THE ISSUANCE OF CERTIFICATES OF INSPECTION FOR ALL MULTI-FAMILY DWELLING UNITS; AMENDING ORDINANCE 2374 – BUILDING PERMIT FEES TO ADD FEES FOR APARTMENT INSPECTIONS; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY; AND PROVIDING FOR AN EFFECTIVE DATE.

7. Discuss and Consider Approval of Ordinance No. 2384 – Adopting the Final Project Plan and Finance Plan for Tax Increment Financing Reinvestment Zone No. 1.

Steve Rogers, City Engineer presented to Council for discussion and consideration Ordinance No. 2384 – Adopting the Final Project Plan and Finance Plan for Tax Increment Financing Reinvestment Zone No. 1. Deputy Mayor Pro tem Don Thurman made a motion to approve Ordinance No. 2384 - Adopting the Final Project Plan and Finance Plan for Tax Increment Financing Reinvestment Zone No. 1 on first reading with correction to “CERTAIN”. The motion was seconded by Mayor Pro tem Jack Jones. Aye – all; Naves – none. Motion carried.

8. Discuss and Consider Approval of Bylaws for Tax Increment Financing Reinvestment Zone No. 1.

Steve Rogers, City Engineer presented to Council for discussion and consideration Bylaws for Tax Increment Financing Reinvestment Zone No. 1. Councilmember Ricky Jordan made a motion to approve Bylaws for Tax Increment Financing Reinvestment Zone No. 1. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Naves – none. Motion carried.

9. Discuss and Consider Approval of Interlocal Agreement with Kaufman County for Tax Increment Financing Reinvestment Zone No. 1.

Steve Rogers, City Engineer presented to Council for discussion and consideration Interlocal Agreement with Kaufman County for Tax Increment Financing Reinvestment Zone No. 1. Mayor Pro tem Jack Jones made a motion to approve Interlocal Agreement with Kaufman County for Tax Increment Financing Reinvestment Zone No. 1. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Naves – none. Motion carried.

10. Discuss and Consider Approval of Application for Tax Increment Financing Funds for Tax Increment Financing Reinvestment Zone. No. 1.

Steve Rogers, City Engineer presented to Council for discussion and consideration Application Form for Tax Increment Financing Funds for Tax Increment Financing Reinvestment Zone No. 1. Deputy Mayor Pro tem Don Thurman made a motion to approve Application Form for Tax Increment Financing Funds for Tax Increment Financing Reinvestment Zone No. 1 with the change to add “Form”. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Naves – none. Motion carried.

11. Discuss and Consider Approval of Terrell Municipal Airport Project.

Danny Booth representing Terrell Economic Development Corporation presented to Council for discussion and consideration Terrell Municipal Airport Project. Mayor Pro tem Jack Jones made a motion to approve Terrell Municipal Airport Project. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Naves – none. Motion carried.

12. Discuss and Consider Approval of Retail Study.

Danny Booth representing Terrell Economic Development Corporation presented to Council for discussion and consideration Retail Study. Deputy Mayor Pro tem Don Thurman made a motion to approve Terrell Economic Development Corporation request for Retail Study in an amount not to exceed \$34,500. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nayses – none Motion carried.

13. Discuss and Consider Bid and Award of Contract for Project 08-62-02 – Market Center Lift Station – Repairs.

Steve Rogers, City Engineer presented to Council for discussion and consideration Bid and Award of Contract for Project 08-62-02 – Market Center Lift Station – Repairs. Deputy Mayor Pro tem Don Thurman made a motion to award contract to low bidder, Networks-Now in the amount of \$48,070. The motion was seconded by Mayor Pro tem Jack Jones. Ayes – all; Nayses – none. Motion carried.

CONSENT AGENDA

Deputy Mayor Pro tem Don Thurman made a motion to adopt on CONSENT AGENDA Ordinance No. 2380, Ordinance No. 2381, Ordinance No. 2382 and Ordinance No. 2383 on second reading. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nayses – none. Motion carried.

14. Discuss and Consider Adoption on Second Reading Ordinance No. 2380 – Adopting the Fiscal Year 2008-2009 Budget.

ORDINANCE NO. 2380

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2008, AND ENDING SEPTEMBER 30, 2009; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, as required by Article V. of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget of revenues and expenditures for conducting the affairs of the City and providing a complete financial plan for the fiscal year beginning October 1, 2008 and ending September 30, 2009; and

WHEREAS, the City Council has received the City Manager’s proposed budget, a copy of which and all supporting schedules have been filed with the City Secretary of the City of Terrell, Texas; and

WHEREAS, the City Council has conducted the necessary public hearings as required by law;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
TERRELL, TEXAS:

SECTION 1. That the proposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Terrell, Texas, is as follows:

| | REVENUES | EXPENDITURES |
|--|--------------|--------------|
| General Fund | \$17,728,495 | \$17,271,050 |
| Utility Fund | \$11,333,571 | \$ 8,874,760 |
| Equipment Replacement Fund | \$ 1,518,023 | \$ 883,814 |
| Airport Fund | \$ 1,067,755 | \$ 150,950 |
| Tourism Fund | \$ 314,549 | \$ 253,600 |
| Capital Improvement Fund | \$ 670,955 | \$ - 0 |
| Utility Capital Reserve Fund | \$ 1,793,995 | \$ 300,000 |
| Impact Fees Fund | \$ 912,442 | \$ 155,000 |
| Interest & Sinking No. 1 Debt Service Fund | \$ 3,239,479 | \$ 2,833,189 |
| Interest & Sinking No. 2 Debt Service Fund | \$ 336,226 | \$ 123,500 |

and provides a complete financial plan for the fiscal year beginning October 1, 2008 and ending September 30, 2009 as submitted to the City Council by the City Manager, attached hereto as Exhibit “A”, and the same is hereby adopted and approved as the budget of the City of Terrell, Texas for the fiscal year beginning October 1, 2008 and ending September 30, 2009.

SECTION 2. That the sum of \$30,845,863 is hereby appropriated for the payment of the expenditures established in the approved budget for the fiscal year beginning October 1, 2008 and ending September 30, 2009.

SECTION 3. That the expenditures during the fiscal year beginning October 1, 2008 and ending September 30, 2009 shall be made in accordance with the budget approved by this ordinance unless otherwise authorized by a duly enacted ordinance of the City of Terrell, Texas.

SECTION 4. That all budget amendments and transfers of budgeted appropriations from one account to another account within any classification for the fiscal year 2007-2008 are hereby ratified and the budget Ordinance for fiscal year 2007-2008 heretofore enacted by the City Council be and the same is hereby amended to the extent of such transfers and amendments for all purposes.

SECTION 5. That specific authority is given to the City Manager to make the following adjustments:

1. Transfer of appropriations budgeted from one account classification to another account classification within the same department.
2. Transfer of appropriations from designated appropriation from one department or activity to another department or activity within the same fund.

SECTION 6. That all provisions of the Ordinances of the City of Terrell, Texas in conflict with the provisions of this ordinance be and the same are hereby repealed and all other provisions of the Ordinances of the City of Terrell, Texas not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 7. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional.

SECTION 8. This Ordinance shall take effect from and after its passage as the law and charter in such cases provide.

PASSED AND APPROVED THIS THE 2ND DAY OF SEPTEMBER, 2008.

PASSED AND ADOPTED THIS THE 16TH DAY OF SEPTEMBER, 2008.

- 15. Discuss and Consider Adoption on Second Reading Ordinance No. 2381 - Approving a Negotiated Resolution Between the Atmos Cities Steering Committee and Atmos Energy Corp, Mid-Tex Division Regarding the company's Rate Review Mechanism Filing in all Cities Exercising Original Jurisdiction; Declaring Existing Rates to be Unreasonable; Adopting Tariffs that Reflect Rate Adjustments Consistent with the Negotiated Settlement and Finding the Rates to be Set by the Attached Tariffs to be Just and Reasonable.**

ORDINANCE NO. 2381

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS, ("CITY") APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR "THE COMPANY") REGARDING THE COMPANY'S RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; APPROVING ATMOS' PROOF OF REVENUES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Terrell, Texas ("City") is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "the Company"), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of more than 150 similarly situated cities served by Atmos Mid-Tex that have joined together to facilitate the review and response to natural gas issues affecting rates charged in the Atmos Mid-Tex service area (such participating cities are referred to herein as "ACSC Cities"); and

WHEREAS, Atmos and ACSC Cities have been in continuing disagreement, dispute, and litigation over the implementation of GRIP surcharges pursuant to Section 104.301 of the Texas Utilities Code; and

WHEREAS, as part of the negotiations to resolve Atmos' 2007 rate case, ACSC Cities and the Company worked collaboratively to develop the Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process controlled by Cities as a substitute to the current GRIP process instituted by the Legislature; and

WHEREAS, the City took action earlier this year to approve a Settlement Agreement with Atmos Mid-Tex resolving the Company's 2007 rate case and authorizing the RRM Tariff; and

WHEREAS, on or about April 14, 2008, Atmos Mid-Tex filed with the City its first application pursuant to the RRM tariff to increase natural gas rates by approximately \$33.5 million, such increase to be effective in every municipality that has adopted the RRM tariff within its Mid-Tex Division; and

WHEREAS, ACSC Cities coordinated its review of Atmos' RRM filing and designated a Negotiation Committee made up of ACSC representatives and assisted by ACSC attorneys and consultants to resolve issues identified by ACSC in the Company's RRM filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by ACSC's rate expert concluded that Atmos is able to justify a rate increase of \$19.8 million; and

WHEREAS, the ACSC Executive Committee, as well as ACSC lawyers and consultants, recommends ACSC members approve the attached rate tariffs ("Attachment A" to this Ordinance) that will increase the Company's revenue requirement by \$20 million; and

WHEREAS, the attached tariffs implementing new rates and Atmos' Proof of Revenues ("Attachment B" to this Ordinance) are consistent with the negotiated resolution reached by ACSC Cities (including but not limited to a reduction of the residential customer monthly charge to \$7.00 per month) and are just, reasonable, and in the public interest; and

WHEREAS, it is the intention of the parties that ACSC Cities receive the benefit of any Settlement Agreement that Atmos enters into with other entities arising out of its RRM or any associated appeals of a decision entered by the Railroad Commission regarding the Company's request to increase rates. The ACSC Cities' acknowledge that the exercise of this right is conditioned upon the ACSC Cities' acceptance of all rates, revenues, terms and conditions of any other Settlement Agreement or associated appeals arising out of the Company's RRM filing *in toto*; and

WHEREAS, the negotiated resolution of the Company's RRM filing and the resulting rates are, as a whole, in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

Section 1. That the findings set forth in this Ordinance are hereby in all things approved.

Section 2. That the City Council finds that the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable and new tariffs and Atmos' proof of revenues, which are attached hereto and incorporated herein as Attachments A and B, are just and reasonable and are hereby adopted.

Section 3. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 4. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 6. That if ACSC Cities determine any rates, revenues, terms and conditions, or benefits resulting from a Final Order or subsequent negotiated settlement approved in any proceeding addressing the issues raised in Atmos' RRM filing would be more beneficial to the ACSC Cities than the terms of the attached tariff, then the more favorable rates, revenues, terms and conditions, or benefits shall additionally accrue to the ACSC Cities. Exercise of this right is conditioned upon ACSC Cities' acceptance of all rates, revenues, terms and conditions of any other Settlement Agreement or associated appeals arising out of the Company's RRM filing *in toto*.

Section 8. That this Ordinance shall become effective from and after its passage with rates authorized by attached Tariffs to be effective for customer bills delivered on or after October 1, 2008.

Section 9. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of David Park, Vice President Rates and Regulatory Affairs, at Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED this 2nd day of September, 2008.

PASSED AND ADOPTED this 16th day of September, 2008.

16. Discuss and Consider Adoption on Second Reading Ordinance No. 2382 – Budget Amendment.

ORDINANCE NO. 2382

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, AMENDING THE ANNUAL BUDGET FOR THE YEAR BEGINNING OCTOBER 1, 2007, AND ENDING SEPTEMBER 30, 2008, AS PASSED AND ADOPTED ON SEPTEMBER 25, 2007 TO PROVIDE FOR INCREASES IN CERTAIN ACCOUNTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

SECTION I.

The following funds are amended to reflect the following in the budget:

| GENERAL FUND <u>REVENUES</u> | BUDGETED | AMOUNT | AMENDED |
|---------------------------------------|--------------|--------------|-------------|
| 010-00-3801 Terrell Police Department | \$ 15,659.61 | \$ 20,135.92 | \$35,795.53 |

| GENERAL FUND <u>EXPENDITURES</u> | BUDGETED | AMOUNT | AMENDED |
|-------------------------------------|----------|--------|---------|
|-------------------------------------|----------|--------|---------|

Parks

| | | | |
|-----------------------------|--------------|-------------|--------------|
| 010-26-4321 Athletic Fields | \$ 10,000.00 | \$14,500.00 | \$ 24,500.00 |
|-----------------------------|--------------|-------------|--------------|

Police Service

| | | | |
|----------------------|--------------|--------------|---------------|
| 010-32-4105 Overtime | \$ 92,359.61 | \$ 20,135.92 | \$ 112,495.53 |
|----------------------|--------------|--------------|---------------|

SECTION II.

All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION III.

It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionally shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the city council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION IV.

This Ordinance will take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

Passed and Approved on this the 2nd day of September, 2008.

Passed and Adopted on this the 16th day of September, 2008.

17. Discuss and Consider Adoption on Second Reading Ordinance No. 2383 – Setting the Tax Rate for 2008.

ORDINANCE NO. 2383

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, FIXING THE TAX RATE OF ALL TAXABLE PROPERTY WITHIN THE CITY OF TERRELL, TEXAS, FOR THE YEAR 2008 AND LEVYING AND ORDERING COLLECTION FOR THE YEAR 2008 AND PROVIDING TO SECURE THE PAYMENT OF TAXES ASSESSED.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

SECTION I.

That there be and is hereby levied and ordered collected on each One Hundred Dollar (\$100.00) valuation of all taxable property, both real and personal, and all property of every kind and description subject to taxation within the corporate limits of the City of Terrell, Texas, on January 1, 2008, the sum of \$0.65 based on 100% of the assessed valuation. Said rate of ad valorem tax is levied for the following purposes and the following amounts:

| | |
|-----------------------|----------|
| General Fund | \$0.4715 |
| Interest/Sinking Fund | \$0.1785 |

SECTION II.

That all taxes collected by the city and districts for which it is collecting taxes, shall be payable on October 1, and if such taxes are not paid in full on or before January 31, of the succeeding year, the following penalties shall be payable: During the month of February, Six (6%) percent of amount of tax, plus 1% for each additional month delinquent, to a maximum of 12% beginning July 1. All delinquent taxes shall bear interest at the rate of one (1%) for each month or portion of month the tax remains delinquent.

SECTION III.

There is hereby on each and every item of taxable property a lien for the purpose of securing the certain payment of taxes assessed against said item of property, and said lien shall continue to exist against any item of property against which a tax is assessed hereunder until such tax, together with all interest, shall be paid.

SECTION IV.

That there be and there is hereby levied and ordered collected an annual occupation tax of fifty (50%) percent of the State occupation tax on each and every occupation subject to an occupation tax under the laws of the State of Texas.

SECTION V.

That this ordinance shall take effect and be in force from and after its passage and adoption.

PASSED AND APPROVED THIS THE 2ND DAY OF SEPTEMBER, 2008.

PASSED AND ADOPTED THIS THE 16TH DAY OF SEPTEMBER, 2008.

END OF CONSENT AGENDA

18. Receive City Manager's Reports and Correspondence:

a.) Special City Council Meeting and Workshop for September 23, 2008.

City Manager Torry Edwards presented Special City Council Meeting and Workshop for September 23, 2008 draft agenda to Council.

b.) Receive Update Regarding Marketing Center Activities.

Lynnette Nadeau, Marketing Coordinator presented to Council Update Regarding Marketing Center Activities.

c.) Receive Update on Regional Transportation Activities.

Mike Sims, Assistant City Manager presented to Council Update on Regional Transportation Activities.

19. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government to Discuss Section 551.071 – Consultation with Attorney.

Council adjourned into Executive Session.

20. Reconvene into Regular Session and Consider Action, if any, on Item Discussed in Executive Session.

There was no action taken in Executive Session.

21. Adjourn.

There were no other matters discussed or acted on at this meeting. There being no further business the meeting was adjourned.

Hal Richards, Mayor

Attest:

John Rounsavall, City Secretary