

## REGULAR CITY COUNCIL MEETING

**FEBRUARY 3, 2009**

**7:00 P.M.**

A Regular Meeting of the Terrell City Council was held on Tuesday, February 3, 2009 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**  
**COUNCILMEMBER #3 RICKY JORDAN**  
**COUNCILMEMBER #4 JACK JONES – ABSENT (EXCUSED)**  
**COUNCILMEMBER #5 DON THURMAN**

**1. Call to order.**

Mayor Hal Richards called the meeting to order.

**2. Invocation.**

Deputy Mayor Pro tem Don Thurman gave the opening prayer.

**12. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government Code to Discuss the Following:**

**d.) Section 551.071 – Consultation with Attorney – Growth Management.**

Council adjourned into Executive Session.

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

There was no action taken in Executive Session.

**3. Discuss and Consider Approval of Special City Council Meeting and Workshop Minutes of January 15, 2009, Regular City Council Meeting Minutes of January 20, 2009 and Special City Council Meeting and Workshop Minutes of January 22, 2009.**

Deputy Mayor Pro tem Don Thurman made a motion to approve Special City Council Meeting and Workshop Minutes of January 15, 2009, Regular City Council Meeting Minutes of January 20, 2009 and Special City Council Meeting and Workshop Minutes of January 22, 2009. The motion was seconded by Councilmember Tommy Spencer. Ayes – all; Nays – none. Motion carried.

**4. Hear Remarks from Visitors.**

None were made.

**NEW BUSINESS**

**5. Discuss and Consider Approval of Resolution No. 623 – Establishing a Public Hearing Date to Consider Approval of Updated Land Use Assumptions, Capital Improvement Plans and Impact Fees for Water, Wastewater and Roadways.**

Steve Rogers, City Engineer presented to Council for discussion and consideration Resolution No. 623 – Establishing a Public Hearing Date to Consider Approval of Updated Land Use Assumptions, Capital Improvement Plans and Impact Fees for Water, Wastewater and Roadways. Deputy Mayor Pro tem Don Thurman made a motion to approve Resolution No. 623 – Establishing a Public Hearing Date to Consider Approval of Updated Land Use Assumptions, Capital Improvement Plans and Impact Fees for Water, Wastewater and Roadways. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

**CITY OF TERRELL, TEXAS  
RESOLUTION NO. 623**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS  
ESTABLISHING A PUBLIC HEARING DATE TO CONSIDER APPROVAL OF UPDATED  
LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENT PLANS AND IMPACT FEES  
FOR WATER, WASTEWATER AND ROADWAYS; AND PROVIDING AN EFFECTIVE  
DATE.

WHEREAS, the City Council of Terrell has authorized an impact fee study to determine whether to adopt updated land use assumptions, capital improvements plans, and impact fees for water, wastewater and roadways in accordance with Tex. Loc. Gov't Code Chapter 395; and

WHEREAS, Chapter 395 requires the City Council to set a public hearing to consider whether to adopt updated land use assumptions, capital improvements plans and impact fees for water, wastewater and roadways;

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

SECTION 1. That the above recitals are found to be true and correct and they are incorporated herein as findings of the City Council for all purposes.

SECTION 2. That a public hearing of the City Council shall be held on March 17, 2009 at 7:00 p.m. at City Hall 201 E. Nash Street Terrell, Texas for the purpose of considering amendments to the land use assumptions, capital improvements plans and impact fees for water, wastewater and roadways.

SECTION 3. That notice of the hearing shall be published in one or more newspapers of general circulation in Kaufman County, before the 30th day before the date set for the hearing.

SECTION 4. That this Resolution shall take effect immediately upon execution by the Mayor.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS, this the 3<sup>rd</sup> day of February, 2009.

**6. Discuss and Consider Approval of Ordinance No. 2396 – Budget Amendment.**

John Rounsavall, City Secretary/Finance Director presented to Council for discussion and consideration Ordinance No. 2396 – Budget Amendment. Councilmember Tommy Spencer made a motion to approve Ordinance No. 2396 – Budget Amendment on first reading. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

**ORDINANCE NO. 2396**

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 16, 2008 TO PROVIDE FOR INCREASES IN CERTAIN ACCOUNTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Mayor Hal Richards recognized Billy Gardner and his kids attending the Council meeting. Mayor Hal Richards recognized Jim Range and Adam Range, Trinity Valley Community College student attending the Council Meeting.

**7. Discuss and Consider Approval of Ordinance No. 2397 - Extending the Term of Original Franchise Ordinance with Oncor Electric Delivery Company, LLC.**

John Rounsavall, City Secretary/Finance Director presented to Council for discussion and consideration Ordinance No. 2397 – Extending the Term of Original Franchise Ordinance with Oncor Electric Delivery Company, LLC. Councilmember Ricky Jordan made a motion to approve Ordinance No. 2397 – Extending the Term of Original Franchise Ordinance with Oncor Electric Delivery Company, LLC on first reading. The motion was seconded by Councilmember Tommy Spencer. Ayes – all; Nays – none. Motion carried.

**ORDINANCE NO. 2397**

AN ORDINANCE EXTENDING THE TERM OF AN ORDINANCE OF THE CITY COUNCIL OF TERRELL GRANTING A FRANCHISE TO ONCOR ELECTRIC DELIVERY COMPANY, A SUCCESSOR IN INTEREST TO TXU ELECTRIC DELIVERY; PROVIDING AN EFFECTIVE DATE.

**8. Discuss and Consider Approval of Resolution No. 624 – Calling the Regular Municipal Election for the Election of Councilmembers from District No. 2 and District No. 4 to be Held on Saturday, May 9, 2009.**

John Rounsavall, City Secretary/Finance Director presented to Council for discussion and consideration Resolution No. 624 – Calling the Regular Municipal Election for the Election of Councilmembers from District No. 2 and District No. 4 to be Held on Saturday, May 9, 2009. Councilmember Tommy Spencer made a motion to approve Resolution No. 624 – Calling the Regular Municipal Election for the Election of Councilmembers from District No. 2 and District No. 4 to be Held on Saturday, May 9, 2009. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Naves – none. Motion carried.

**RESOLUTION NO. 624**

**AN RESOLUTION OF THE CITY OF TERRELL, TEXAS, CALLING THE REGULAR MUNICIPAL ELECTION FOR THE CITY OF TERRELL, TEXAS FOR THE ELECTION OF COUNCILMEMBERS FROM DISTRICT NO. 2 AND DISTRICT NO. 4 TO BE HELD ON MAY 9, 2009.**

**WHEREAS**, the terms of office for Councilmember No. Two and Councilmember No. Four will expire at the conclusion of three years in office, as provided by an amendment to the Charter of the City of Terrell, Texas; and

**WHEREAS**, the second Saturday in May is the date set for the regular election of Councilmembers; and

**WHEREAS**, authority is vested in the Mayor of the City of Terrell to call said regular election and to appoint election officials to conduct said election;

**NOW THEREFORE BE IT PROCLAIMED BY THE MAYOR OF THE CITY OF TERRELL, TEXAS that:**

An election be held on the 9<sup>th</sup> day of May, 2009 for the purpose of:

Electing Councilmembers from District No. Two and District No. Four.

- A. **Councilmember No. 2** so elected shall be a resident of District No. 2 and shall be elected by the vote of the qualified voters of the City of Terrell, Texas residing in District No. 2 and shall serve a term of three years.
- B. **Councilmember No. 4** so elected shall be a resident of District No. 4 and shall be elected by the vote of the qualified voters of the City of Terrell, Texas residing in District No. 4 and shall serve a term of three years.

**II.**

Ballots shall be used for said election which ballots shall be prepared in accordance with the Texas Election code so as to permit the electors to vote "for" the candidate of the following offices which shall be set forth in substantially the following form:

**In District No. 2**

Councilmember . . . . .(Names of Candidates)

In District No. 4

Councilmember . . . . .(Names of Candidates)

There shall be two (2) election precincts for the conduct of this election, and the following locations are designated as polling places within the respective precincts:

District No. 2            W.H. Burnett Elementary  
                                  921 South Rockwall Street  
                                  Terrell, Texas

District No. 4            High Street Gym  
                                  208 West High Street  
                                  Terrell, Texas

On Election Day, the polls shall open at 7:00 A.M. and shall close at 7:00 P.M.

The following persons are hereby appointed officers of the election in their respective precincts:

District No. 2 -	Russell Jones, Jr.	Presiding Judge
	Mrs. Dave M. Watson	Alternate Judge

District No. 4	Ruth Matejka	Presiding Judge
	Helen Dixon	Alternate Judge

A copy of this Resolution shall be delivered to the presiding judges for Districts 2 and 4 by the City Secretary not later than 20 days from this date, together with a current description of the election precincts as approved by the Terrell City Council.

Each presiding judge shall appoint not less than two nor more than four qualified clerks to serve and assist in the holding of said election, provided that if the presiding judge herein appointed actually serves, that the alternate presiding judge shall be a clerk. Each official shall be compensated at the rate of \$10.00 per hour, not to exceed a total of 15 hours. Each presiding judge shall receive additional compensation in the amount of \$25.00 for delivering the returns to the Central Counting Station. Each presiding judge shall attempt to appoint at least one official fluent in both the English and Spanish language.

All qualified electors residing in Districts No. 2 and 4 of the City of Terrell shall be permitted to vote at said election. This election shall be held and conducted in accordance with the Texas Election Code, enacted in 1985. All election materials and proceedings shall be printed in both English and Spanish.

Early voting shall be conducted at the office of the City Secretary in the Terrell City Hall located at 201 East Nash Street, whose mailing address is P.O. Box 310, Terrell, Texas 75160. The City Secretary is appointed as Early Voting Clerk, to serve without additional compensation. Applications for early voting by mail shall be taken between March 10, 2009 and May 1, 2009. Early voting by personal appearance shall commence on April 27, 2009 and conclude on May 5, 2009 on weekdays during regular business hours of the City Secretary.

The Terrell Municipal Building located at 201 East Nash Street, Terrell, Texas, is hereby designated as the Central Counting Station.

**Bobby Bishop** is appointed **Presiding Judge** of the **Central Counting Station**.

**Ruth Matejka** is appointed **Early Voting Ballot Board Judge**.

**Cozette Moore** is appointed as **Tabulation Supervisor** of the **Central Counting Station**

Election clerks from District No. 4 will serve as election officers for the Early Voting Ballot Board.

The Early Voting Ballot Board Judge will deliver the early voted ballots to the Central Counting Station Judge at 5:00 P.M. Tabulating of voted ballots will start at 7:00 P.M.

Persons wishing to file as candidates for City Council members from Districts 2 and 4 shall file a sworn application for a place on the ballot with the City Secretary on February 7, 2009, and no later than 5:00 P.M. on March 9, 2009, and must meet the requirements to serve as a Councilmember, as set forth in the City of Terrell Charter.

A substantial copy of this Resolution shall serve as proper notice of the calling of said election. Said notice, including a Spanish translation hereof, shall be posted in a public place in each election precinct of the City and on the bulletin board used for the posting of meetings of the City Council of the City of Terrell at least 21 days prior to the date of the election by the City Secretary or his designee, who shall make a record at the time of posting stating the date and place of posting to be preserved for the period of preserving precinct election records.

**PASSED AND APPROVED** on this the 3<sup>rd</sup> day of February, 2009.

**9. Discuss and Consider Approval of Resolution No. 625 - City of Terrell Investment Policy.**

John Rounsavall, City Secretary/Finance Director presented to Council for discussion and consideration Resolution No. 625 – City of Terrell Investment Policy. Councilmember Tommy Spencer made a motion to approve Resolution No. 625 – City of Terrell Investment Policy. The motion was seconded by Deputy Mayor Pro tem Don Thurman. Ayes – all; Nays – none. Motion carried.

**RESOLUTION NO. 625**

A RESOLUTION OF THE CITY OF TERRELL, TERRELL, TEXAS, ESTABLISHING A POLICY  
GOVERNING THE INVESTMENT OF CITY FUNDS

**WHEREAS**, the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) requires that investments shall be made in accordance with written policies approved by the governing body; and

**WHEREAS**, investment policies must address diversification, safety of principal, yield, maturity, with primary emphasis on safety and liquidity; and

**WHEREAS**, the City of Terrell City Council finds that the Investment Policy attached hereto is in the best interests of the City in order to promote sound management of the City's funds.

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

Section 1. The Terrell City Council hereby adopts Exhibit "A" attached hereto as the Terrell Investment Policy which shall govern the investment of the City's funds in accordance with federal and state law.

Section 2. That this resolution shall take effect immediately from and after its passage.

**PASSED, ADOPTED AND APPROVED** by the City Council of the City Terrell this the 3<sup>rd</sup> day of February, 2009.

**EXHIBIT "A"**

**CITY OF TERRELL  
INVESTMENT POLICY**

**I. PURPOSE**

**A. Authorization**

This Policy was adopted by the Terrell City Council on August 17, 2004, in accordance with the Texas Public Funds Investment Act.

**B. Scope**

This Policy shall govern the investment of all funds of the City of Terrell, Texas excluding the specific funds cited hereafter. For purposes of this Policy, funds of the City are all monies and other financial resources available for investment by the City. All such monies shall be invested at all times to the fullest extent practicable in accordance with the objectives and restrictions set forth in this Policy.

**C. Review**

This Policy shall be reviewed by the City Council annually and at other times, as needed, in the discretion of the Council.

**II. OBJECTIVES**

Objectives of this Investment Policy shall be in order of priority: safety, liquidity, and yield.

**A. Safety**

Safety shall be the foremost objective of the City's Investment Policy. Safety shall be achieved through protection of principal and safekeeping.

1. Protection of Principal

The City shall seek to control the risk of loss due to the failure of a security issuer or guarantor. Such risk shall be controlled by investing only in the safest types of securities as defined in this Policy, by qualifying the financial institutions with whom the City will transact, and portfolio diversification.

All City investment transactions shall be executed delivery versus payment (DVP) according to the standard operating procedure for the industry. DVP means that City funds will not be released until securities are received and vice versa.

2. Safekeeping

All collateral must be held by a banking institution separate from the depository bank, or by the Federal Reserve Bank of Dallas. All funds in demand deposits, overnight deposits, time deposits or certificates of deposit must be fully collateralized in accordance with State law.

**B. Liquidity**

Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

A security may be liquidated to meet unanticipated cash requirements, to redeploy cash into other investments expected to outperform current holdings, or to otherwise adjust the City's portfolio.

**C. Yield**

Investments (excluding assets managed under separate investments programs and bond funds limited as to yield by the Tax Reform Act of 1986) shall be made in permitted obligations at yields equal to or greater than the equivalent yield on United States Treasury obligations of comparable maturity.

No investment shall be made with a maturity greater than five years, unless previously authorized by the City Council and approved by the Investment Committee.

**III. INVESTMENTS**

**The City of Terrell finds that it is reasonable and appropriate that each fund maintained by the City shall be subject to the investment strategies as follows:**

- A.** Investments shall only be made with those dealers or banks:
1. who have acknowledged receipt and understanding of the City's Investment Policy; and
  2. who have met the qualifications and standards established by the City.

Competitive bids will be solicited on all transactions the City initiates.

- B.** Investments described below are those listed in the Public Funds Investment Act (Chapter 2256 of the Texas Government Code).

1. Collateralized time deposits and certificates of deposit.
  - a) Only national or state banks with FDIC membership, domiciled within the State of Texas, are eligible.  
  
Banks serving as City depositories will be required to sign a depository agreement with the City as its safekeeping agent defining the City's rights to the collateral in case of default, bankruptcy, or closing.
  - b) Obligations of the United States or its agencies and instrumentalities.
  - c) Direct obligations of the State of Texas or its agencies.

- d) Other obligations, the principal of and interest on which, are unconditionally guaranteed or insured by the State of Texas or the United States.
- e) Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent.
- f) Fully collateralized direct repurchase agreements having a defined termination date which:
  - i) must be placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in this State;
  - ii) the collateral must be pledged with a third party approved by the City; and
  - iii) the dealer or bank must have executed a City Attorney approved Master Repurchase Agreement with the City.
- g) Common trust funds of banks domiciled in Texas may be used for bond proceeds including sale of bonds and reserves and funds maintained for debt service purposes.

#### **IV. INVESTMENT STRATEGY**

##### Investment Committee

An investment committee shall be established consisting of the City Manager or his designee and the City Secretary. The Investment Committee shall determine general strategies and monitor performance. All investment procedures must be approved by the Investment Committee.

#### **V. RESPONSIBILITY AND CONTROLS**

##### **A. Authorized Official**

The City Manager or his designee shall direct the cash management program of the City with authority to make investment and redemption decisions.

##### **B. Controls**

The City Secretary/Finance Director shall establish a system of internal controls which shall be reviewed by the City Auditor.

**C. Standard of Care**

Investments shall be made with judgement and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

**VI. REPORTS**

- A.** The City Council shall receive a quarterly report of investment performance.
- B.** The Investment Committee shall receive quarterly reports, which shall include all securities held, average maturities, portfolio diversification, yields, income and all transactions executed that month. This report shall include an assessment of investment performance.

**VII. AMENDMENTS**

The City Council may amend this Investment Policy at a regular or duly called City Council meeting.

**10. Discuss and Consider Appointments to the Planning and Zoning Commission.**

City Manager Torry Edwards and Terry Capehart, Director Municipal Development presented to Council for discussion and consideration Appointments to the Planning and Zoning Commission. Deputy Mayor Pro tem Don Thurman made a motion to re-appoint Danny Stephens and Gene Glaeser (Final Term) to the Planning and Zoning Commission. The motion was seconded by Councilmember Ricky Jordan. Ayes – all; Nays – none. Motion carried.

Mayor Hal Richards made a motion to appoint Greg Helm to replace Jeff Crawford on the Planning and Zoning Commission. The motion was seconded by Councilmember Tommy Spencer. Ayes – all; Nays – none. Motion carried.

**CONSENT AGENDA**

There were no items on Consent Agenda.

**END OF CONSENT AGENDA**

- 11. Receive City Manager's Reports and Correspondence**
  - a.) Special City Council Meeting and Workshop Scheduled for Thursday, February 19, 2009 – 6:00 p.m.**
  - b.) Kaufman County Day – March 22-24, 2009 – Austin, Texas.**

City Manager Torry Edwards presented Reports and Correspondence to Council.

**14. 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**