REGULAR CITY COUNCIL MEETING

September 3, 2013

7:00 P.M.

A Regular City Council Meeting of the Terrell City Council was held on Tuesday, September 3, 2013, 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 CHARLES WHITAKER
COUNCILMEMBER #5 D.J. ORY

1. Call to order.

Mayor Hal Richards, called meeting to order.

2. Invocation.

Mayor Pro Tem Ricky Jordan, gave the opening prayer.

3. Discuss and Consider Approval of Meeting Minutes of Special City Council Meeting and Workshop of August 15, 2013, and Regular City Council Meeting of August 20, 2013.

Deputy Mayor Pro Tem D. J. Ory, made a motion to approve Meeting Minutes of Special City Council Meeting and Workshop of August 15, 2013, and Regular City Council Meeting of August 20, 2013. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - All. Nayes - None. Motion carried.

4. Hear Remarks from Visitors.

There were no remarks from visitors.

PUBLIC HEARINGS

5. a.) Conduct a Public Hearing to Receive Comment Regarding Tax Rate Increase for Fiscal Year 2013-2014.

John Rounsavall, City Secretary, gave opening comments regarding Tax Rate Increase for Fiscal Year 2013-2014 and stated for the record as follows:

When the tax rate proposed by a governing body exceeds the effective rate or the rollback rate, whichever is lower, they must hold two public hearings on the matter to make the taxpayers aware of the change in tax rate and provide the taxpayer the opportunity to roll back or limit tax increases.

Tonight's public hearing is the first of two required public hearings on the proposed tax rate.

Staff is proposing the same tax rate as the current fiscal year of 0.649300. This amount is greater than the 2014 calculated effective rate of 0.648934, by 0.000366 cents, (4 ten thousandths of a cent) and the calculated roll back rate of 0.638394 by 0.010906 cents.

The tax rate ordinance is presented to council following the public hearing on first reading.

Mayor Hal Richards opened a Public Hearing to Receive Comment Regarding Tax Rate Increase for Fiscal Year 2013-2014. No one spoke against the Tax Rate Increase for Fiscal Year 2013-2014. No one spoke in favor of the Tax Rate Increase for Fiscal Year 2013-2014. Mayor Hal Richards, closed the Public Hearing.

b.) Discuss and Consider Approval of Ordinance No. 2579; 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 2013 And Levying And Ordering Collection For The Year 2013 And Providing A Lien On All Real And Personal Property To Secure The Payment Of Taxes Assessed; Containing A Severability Clause; Repealing All Ordinances And Parts Thereof In Conflict Herewith And Providing An Effective Date.

John Rounsavall, City Secretary, Presented to Council for Discussion and Consideration Approval of Ordinance No. 2579; 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 2013 And Levying And Ordering Collection For The Year 2013 And Providing A Lien On All Real And Personal Property To Secure The Payment Of Taxes Assessed; Containing A Severability Clause; Repealing All Ordinances And Parts Thereof In Conflict Herewith And Providing An Effective Date. Deputy Mayor Pro Tem D. J. Ory, made a motion to approve on first reading Ordinance No. 2579; 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 2013 And Levying And Ordering Collection For The Year 2013 And Providing A Lien On All Real And Personal Property To Secure The Payment Of Taxes Assessed; Containing A Severability Clause; Repealing All Ordinances And Parts Thereof In Conflict Herewith And Providing An Effective Date. Councilmember Charles Whitaker, seconded the motion. Ayes - All. Nayes - None. Motion carried.

ORDINANCE NO. 2579

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, FIXING THE TAX RATE OF ALL TAXABLE PROPERTY WITHIN THE CITY OF TERRELL, TEXAS, FOR THE FISCAL YEAR 2013-2014 AND LEVYING AND ORDERING COLLECTION FOR THE YEAR 2013 AND PROVIDING A LIEN ON ALL REAL AND PERSONAL PROPERTY TO SECURE THE PAYMENT OF TAXES ASSESSED; CONTAINING A SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND PARTS THEREOF IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

NEW BUSINESS

6. Discuss and Consider Resolution No. 742; A Resolution Creating The Capital Improvements Advisory Committee, And Setting Forth The Rules For And The Duties Thereof, All In Compliance With The Impact Fee Statutes Found In Chapter 395 Of The Local Government Code.

Steve Rogers, City Engineer, Presented to Council for Discussion and Consideration Resolution No. 742; A Resolution Creating The Capital Improvements Advisory Committee, And Setting Forth The Rules For And The Duties Thereof, All In Compliance With The Impact Fee Statutes Found In Chapter 395 Of The Local Government Code. Deputy Mayor Pro Tem D. J. Ory, made a motion to approve Resolution No. 742; A Resolution Creating The Capital Improvements Advisory Committee, And Setting Forth The Rules For And The Duties Thereof, All In Compliance With The Impact Fee Statutes Found In Chapter 395 Of The Local Government Code and appoint Gerald Templeman to the Capital Improvement Advisory Committee. Councilmember Charles Whitaker, seconded the motion. Ayes - All. Nayes - None. Motion carried.

RESOLUTION NO. 742

A RESOLUTION CREATING THE CAPITAL IMPROVEMENTS ADVISORY COMMITTEE, AND SETTING FORTH THE RULES FOR AND THE DUTIES THEREOF, ALL IN COMPLIANCE WITH THE IMPACT FEE STATUTES FOUND IN CHAPTER 395 OF THE LOCAL GOVERNMENT CODE.

WHEREAS, Chapter 395 of The Local Government Code ("Chapter 395") authorizes political subdivisions to finance capital improvements associated with new development in municipalities; and

WHEREAS, these statutes prescribe a process that incorporates the required methodology, the procedures for public hearings, and the reporting components related to impact fees; and

WHEREAS, this legislation requires that a Capital Improvements Advisory Committee ("Advisory Committee") be appointed by the governing body to advise the City Council on certain matters related to the procedures promulgated by Chapter 395; and

WHEREAS, the legislation further requires that the City Council adopt procedural rules for the Advisory Committee to follow in carrying out its duties;

NOW, THERFORE, BE IT RESOLVED by the City Council of the City of Terrell that the following appointments, assignments and procedures be adopted in conjunction with the requirements of Chapter 395:

Section I. Establishment of Advisory Committee.

There is hereby established an advisory committee to the City Council named the "Capital Improvements Advisory Committee."

Section II. Membership, Compliance and Appointment.

2.1 The Capital Improvements Advisory Committee shall be composed of the Terrell Planning and Zoning Commission plus one additional member, to be named by the City Council, who is associated with development, real estate, or a related field.

2.2 The Chairperson of the Terrell Planning & Zoning Commission shall serve as the Chairperson of the Advisory Committee.

2.3 The Chairperson of the Advisory Committee shall be a voting member but shall not initiate or second any motion made by the Committee.

2.3 The City Manager shall serve as an ex officio member of the Advisory Committee but shall have no vote in connection with any of the determinations or recommendations of the Committee.

2.4 The City Council reserves the right to appoint additional members to the Advisory Committee if required to replace a member due to a resignation or for any other purpose needed to fulfill the composition requirements of Chapter 395.

Section III Functions and Duties.

3.1 The Advisory Committee shall serve in an advisory capacity.

3.2 The Advisory Committee is established:

3.21 To advise and assist the City in adopting land use assumptions;

3.22 To review the capital improvements plan and file written comments;

3.23 To monitor and evaluate implementation of the capital improvements plan;

3.24 To file semi-annual reports with respect to progress of the capital improvements plan and report to the City Council any perceived inequities in implementing the plan or imposing the impact fee; and

3.25 To advise the City Council of the need to update or revise the land use assumptions, capital improvements plan or impact fees.

Section IV. Conduct of the Advisory Committee.

4.1 The Advisory Committee shall conduct Committee business only when a quorum is present. In this case a quorum shall be defined as not less than one-half of the Committee's membership.

4.2 The Advisory Committee's activities, scheduling and conduct should be as commonly prescribed in Robert's Rules of Order.

4.3 The Advisory Committee shall meet at sufficient intervals to accomplish the functions enumerated in Section III.

4.4 The Advisory Committee shall provide Committee Reports to the City Council that include comments and recommendations regarding Land Use Assumptions, Capital Improvements Plans, and Impact Fees.

4.5 The Committee Reports shall be submitted:

4.51 Before the fifth business day before the date of the public hearing on the proposed land use assumptions, water and wastewater capital improvements plan, and roadway capital improvements plan; and

4.52 Before the fifth business day before the date of the public hearing on the proposed water and wastewater impact fees, and roadway impact fee; and

4.53 At such other times as shall be deemed appropriate.

Section V. Responsibilities of the City Government

The City Council and City staff shall make available to the Advisory Committee any professional reports regarding the development or implementation of land use plans, capital improvements plans, utility financial analyses, or any other information that may be available relevant to the development of impact fees under the Chapter 395 process.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF TERRELL ON THE 3RD DAY OF SEPTEMBER, 2013.

7. Discuss and Consider Approval of funding for the Southern Software's Police Records Management Software System.

Deputy Mayor Pro Tem D. J. Ory, recused himself from discussion of Item 7.

John Rounsavall, City Secretary, Presented to Council for Discussion and Consideration Approval of funding for the Southern Software's Police Records Management Software System. Councilmember Charles Whitaker, made a motion to approve funding for the Southern Software's Police Records Management Software System. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - Mayor Hal Richards, Councilmember Charles Whitaker and Mayor Pro Tem Ricky Jordan. Nayes - None. No Vote - Deputy Mayor Pro Tem D. J. Ory. Motion carried.

8. Discuss and Consider Ordinance No. 2580; An Ordinance Of The City Of Terrell, Texas, Amending Chapter 9 Of The Code Of Ordinances Of The City Of Terrell Adding Section 12 Emergency Management; Creating The Office Of Emergency Management Director; Establishing Powers And Duties Of Emergency Management Director; Authorizing Participation In County-Wide Joint Emergency Plan; Establishing Functions And Duties Of Emergency Management Organization; Prohibiting Unauthorized Use Of Warning Signals; Pertaining To Conflicting Regulations; Establishing Liability Protection; Restricting The Expenditure Of Public Funds For Emergency Management; Prohibiting Interference With Emergency Management Organization Or Regulations; Requiring Allegiance To Government; Providing For A General Penalty For Violations; Providing For A Severability Clause; And Providing For An Effective Date.

John Rounsavall, City Secretary, Presented to Council for Discussion and Consideration Ordinance No. 2580; An Ordinance Of The City Of Terrell, Texas, Amending Chapter 9 Of The Code Of Ordinances Of The City Of Terrell Adding Section 12 Emergency Management; Creating The Office Of Emergency Management Director; Establishing Powers And Duties Of Emergency Management Director; Authorizing Participation In County-Wide Joint Emergency Plan; Establishing Functions And Duties Of Emergency Management Organization; Prohibiting Unauthorized Use Of Warning Signals; Pertaining To Conflicting Regulations; Establishing Liability Protection; Restricting The Expenditure Of Public Funds For Emergency Management; Prohibiting Interference With Emergency Management Organization Or Regulations; Requiring Allegiance To Government; Providing For A General Penalty For Violations; Providing For A Severability Clause; And Providing For An Effective Date. Councilmember Charles Whitaker, made a motion to approve Ordinance No. 2580; An Ordinance Of The City Of Terrell, Texas, Amending Chapter 9 Of The Code Of Ordinances Of The City Of Terrell Adding Section 12 Emergency Management; Creating The Office Of Emergency Management Director; Establishing Powers And Duties Of Emergency Management Director; Authorizing Participation In County-Wide Joint Emergency Plan; Establishing Functions And Duties Of Emergency Management Organization; Prohibiting Unauthorized Use Of Warning Signals; Pertaining To Conflicting Regulations; Establishing Liability Protection; Restricting The Expenditure Of Public Funds For Emergency Management; Prohibiting Interference With Emergency Management Organization Or Regulations; Requiring Allegiance To Government; Providing For A General Penalty For Violations; Providing For A Severability Clause; And Providing For An Effective Date. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - All. Nayes - None. Motion carried.

ORDINANCE NO. 2580

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, AMENDING CHAPTER 9 OF THE CODE OF ORDINANCES OF THE CITY OF TERRELL ADDING SECTION 12 EMERGENCY MANAGEMENT; CREATING THE OFFICE OF EMERGENCY MANAGEMENT DIRECTOR; ESTABLISHING POWERS AND DUTIES OF EMERGENCY MANAGEMENT DIRECTOR; AUTHORIZING PARTICIPATION IN COUNTY-WIDE JOINT EMERGENCY PLAN; ESTABLISHING FUNCTIONS AND DUTIES OF EMERGENCY MANAGEMENT ORGANIZATION; PROHIBITING UNAUTHORIZED USE OF WARNING SIGNALS; PERTAINING TO CONFLICTING REGULATIONS; ESTABLISHING LIABILITY PROTECTION; RESTRICTING THE EXPENDITURE OF PUBLIC FUNDS FOR EMERGENCY MANAGEMENT;

PROHIBITING INTERFERENCE WITH EMERGENCY MANAGEMENT ORGANIZATION OR REGULATIONS; REQUIRING ALLEGIANCE TO GOVERNMENT; PROVIDING FOR A GENERAL PENALTY FOR VIOLATIONS; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

9. Discuss and Consider Resolution No. 743; A Resolution of the City Council of the City of Terrell, Texas, Authorizing the City Manager of the City of Terrell and the Chief of the Terrell Fire Department to execute a Mutual Aid Agreement for Kaufman County Fire Departments.

Jim Harper, Fire Chief, Presented to Council for Discussion and Consideration Resolution No. 743; A Resolution of the City Council of the City of Terrell, Texas, Authorizing the City Manager of the City of Terrell and the Chief of the Terrell Fire Department to execute a Mutual Aid Agreement for Kaufman County Fire Departments. Deputy Mayor Pro Tem D. J. Ory, made a motion to approve Resolution No. 743; A Resolution of the City Council of the City of Terrell, Texas, Authorizing the City Manager of the City of Terrell and the Chief of the Terrell Fire Department to execute a Mutual Aid Agreement for Kaufman County Fire Departments. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - All. Nayes - None. Motion carried.

RESOLUTION NO. 743

A Resolution of the City Council of the City of Terrell, Texas, Authorizing the City Manager of the City of Terrell and the Chief of the Terrell Fire Department to execute a Mutual Aid Agreement for Kaufman County Fire Departments

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

That the City Manager of the City of Terrell, Texas, and the Chief of the Terrell Fire Department are authorized to execute the Mutual Aid Agreement Kaufman County Fire Departments in the form as set forth on Exhibit "A" attached.

PASSED AND APPROVED this 3rd day of September, 2013.

10. Discuss and Consider Resolution No. 744; A Resolution Approving An Application For Funding Through The Texas Department Of Agriculture Texas Capital Fund.

Mike Sims, Assistant City Manager, Presented to Council for Discussion and Consideration Resolution No. 744; A Resolution Approving An Application For Funding Through The Texas Department Of Agriculture Texas Capital Fund. Deputy Mayor Pro Tem D. J. Ory, made a motion to approve Resolution No. 744; A Resolution Approving An Application For Funding Through The Texas Department Of Agriculture Texas Capital Fund. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - All. Nayes - None. Motion carried.

RESOLUTION NO. 744

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING THROUGH THE TEXAS DEPARTMENT OF AGRICULTURE TEXAS CAPITAL FUND

11. Discuss and Consider appointment to Terrell Planning and Zoning Commission.

Councilmember Charles Whitaker, made a motion to table appointment to Terrell Planning and Zoning Commission. Deputy Mayor Pro Tem D. J. Ory, seconded the motion. Ayes - All. Nayes - None. Motion carried.

CONSENT AGENDA

Deputy Mayor Pro Tem D. J. Ory, made a motion to approve and adopt on CONSENT AGENDA Ordinance No. 2574, Ordinance No. 2577 and Ordinance 2578 on second reading. Mayor Pro Tem Ricky Jordan, seconded the motion. Ayes - All. Nayes - None. Motion carried.

12. Discuss and Consider Adoption On Second Reading Ordinance No. 2574; An Ordinance Of The City Of Terrell, Texas Designating Certain Real Property In Tax Increment Reinvestment Zone No. 1 As A Power Center; Creating An Economic Development Program For The Power Center And A Power Center Fund For Deposit Of Tax Revenues Derived From Power Center Properties; Specifying Criteria For Funds To Be Deposited In The Power Center Fund; Identifying An Area Within Which Power Center Funds May Be Spent For Eligible Projects; Authorizing The City To Enter Into Agreements With Private And Public Entities Pursuant To Texas Local Gov't Code Chapter 380 For Purposes Of Funding Eligible Projects; Authorizing The Mayor To Enter Into An Interlocal Agreement With Kaufman County For Administration Of The County's Economic Development Program For The Power Center; Providing A Conflicts Clause; Providing A Severability Clause; And Providing An Effective Date.

ORDINANCE NO. 2574

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS DESIGNATING CERTAIN REAL PROPERTY IN TAX INCREMENT REINVESTMENT ZONE NO. 1 AS A POWER CENTER; CREATING AN ECONOMIC DEVELOPMENT PROGRAM FOR THE POWER CENTER AND A POWER CENTER FUND FOR DEPOSIT OF TAX REVENUES DERIVED FROM POWER CENTER PROPERTIES; SPECIFYING CRITERIA FOR FUNDS TO BE DEPOSITED IN THE POWER CENTER FUND; IDENTIFYING AN AREA WITHIN WHICH POWER CENTER FUNDS MAY BE SPENT FOR ELIGIBLE PROJECTS; AUTHORIZING THE CITY TO ENTER INTO AGREEMENTS WITH PRIVATE AND PUBLIC ENTITIES PURSUANT TO TEXAS LOCAL GOV'T CODE CHAPTER 380 FOR PURPOSES OF FUNDING ELIGIBLE PROJECTS; AUTHORIZING THE MAYOR TO ENTER INTO AN INTERLOCAL AGREEMENT WITH KAUFMAN COUNTY FOR ADMINISTRATION OF THE COUNTY'S ECONOMIC DEVELOPMENT PROGRAM FOR THE POWER CENTER; PROVIDING A CONFLICTS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the unique, strategic location of Interstate Highway 20, Spur 557, and FM 148 in Kaufman County serves as an important transportation intersection and offers regional economic development potential; and

WHEREAS, the City of Terrell and Kaufman County participate in Tax Increment Reinvestment Zone ("TIRZ") No. 1, which includes such area; and

WHEREAS, the City of Terrell desires to facilitate economic development and promote increased commercial activity within the area; and

WHEREAS, Section 380.001 of the Texas Local Government Code authorizes the City to develop and administer a program for local economic development in order to stimulate business and commercial activity within in the City and its extraterritorial jurisdiction; and

WHEREAS, there exist properties within TIRZ No. 1, which if developed, will provide benefits to all of the City of Terrell and its extraterritorial jurisdiction in the form of increased property values, enhancement of the US Highway 80 and Interstate 20 Corridor, increased revenues to all taxing entities, and stimulation of additional development within TIRZ No. 1, which properties collectively hereinafter are referred to as the "Power Center"; and

WHEREAS, the City Council desires to set aside funds equivalent to 100% of new personal and real property tax revenues generated by and collected from Power Center properties, which are not already obligated to TIRZ No. 1 for economic development purposes; and

WHEREAS, the objectives of the City's economic development program for the Power Center will be realized principally from construction by private developers of infrastructure projects necessary to serve new economic development within or adjacent to the Power Center; and

WHEREAS, the City has authority under Texas Local Government Code Chapter 380 to contract with another public entity for purposes of administering development programs of such entities; and

WHEREAS, Kaufman County is in the process of establishing a fund for economic development of the Power Center ("Power Center Fund") pursuant to Texas Local Government Code Chapter 381; and

WHEREAS, the City Council hereby finds that the general welfare of the community will be served by entering into an interlocal agreement with the Kaufman County for administration of the County's economic development program for the Power Center;

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS THAT:

SECTION 1: The properties identified on the attached map designated as Exhibit "1" and incorporated herein by reference shall be deemed as the Power Center.

SECTION 2: There is hereby created a segregated fund designated as the Power Center Fund into which the City shall annually deposit certain new tax revenues, as defined in Section 3 of this Ordinance, and any tax revenues received from Kaufman County pursuant to its economic development program for the Power Center and authorized in an interlocal agreement executed between the City and the County. Expenditures of monies in the Fund shall be in accordance with Section 4 of this Ordinance. The Power Center Fund shall terminate no later than December 31, 2032. All funds remaining in the Power Center Fund on December 31, 2032, shall be transferred to the City of Terrell Tax Increment Reinvestment Zone No. 1 Fund.

SECTION 3: The City shall annually set aside revenues for economic development of the Power Center in an amount equivalent to new real and personal property tax revenues generated by development of all Power Center properties, including Roll Back taxes, but excluding City contributions to TIRZ No. 1. Procedures for determining new tax revenues derived from Power Center properties is outlined in schematic form as Exhibit 2, and which is attached hereto and incorporated by reference herein.

SECTION 4: There is hereby created a Power Center Board of Directors for the purpose of overseeing the City's economic development program for the Power Center, to consist of five (5) members.

A. Three (3) members of the Power Center Board of Directors shall be appointed by the City Council of the City of Terrell, and two (2) members shall be appointed by the Commissioners Court of Kaufman County. The initial board of directors shall be appointed by resolution of each of the participating jurisdictions within sixty (60) days of executing an interlocal agreement for a Kaufman County and City of Terrell Power Center Fund. No person may serve in any capacity on the Power Center Board of Directors while owning land in the Power Center Area or otherwise having a direct financial interest in property or a business that would directly financially benefit from a decision of the Power Center Board of Directors.

B. The terms of the board members shall be two years. The City Council of the City of Terrell shall designate a member of the board to serve as chairman of the board of directors, and the board shall elect from its members a vice-chairman and other officers as it sees fit.

C. The board of directors shall make recommendations to the City Council and the Commissioners Court concerning the administration of the Power Center. It shall prepare and submit to Council an annual report on the status of the Power Center economic development program.

D. The Power Center Board shall not be operational until such time as the Commissioners Court of Kaufman County and the City Council of the City of Terrell execute an agreement regarding administration of the County economic development program for Power Center. Until such time, all functions of the Power Center Board of Directors shall be performed by the Terrell City Council.

E. The Power Center Board shall appoint officers and adopt bylaws at its first meeting.

SECTION 5: The funds for economic development of the Power Center may be spent only on "eligible projects," as defined in Exhibit 3, which is attached hereto and incorporated herein by

reference. Such funds must be expended within the area shown on the map designated as Exhibit 4, which is attached hereto and incorporated herein by reference, and which shall be referred to as the "Power Center Infrastructure Incentive Area." Funds shall not be expended from the Power Center Fund without an affirmative vote of both the City of Terrell City Council and the Power Center Board of Directors.

SECTION 6: The City Manager is hereby authorized to negotiate and recommend to the City Council economic development agreements with Power Center property owners and developers pursuant to Texas Local Government Code Chapter 380 for expenditure of Power Center funds to further the economic development of the region.

SECTION 7: The Mayor is hereby authorized to negotiate and execute an interlocal agreement with Kaufman County for administration of the Kaufman County Power Center economic development program.

SECTION 8: All parts of any ordinance in conflict with the provisions of this Ordinance are to the extent of such conflict hereby superseded.

SECTION 9: If any provision of this ordinance shall be held to be invalid or unconstitutional, the remainder of such Ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part hereof.

SECTION 10: This Ordinance shall take effect upon the second reading thereof.

PASSED AND APPROVED this the 20th day of August, 2013.
PASSED AND ADOPTED this the 3rd day of September, 2013.

13. Discuss and Consider Adoption On Second Reading Ordinance No. 2577 - Setting Water Rate Increase for Fiscal Year 2013-2014.

ORDINANCE NO. 2577

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, AMENDING APPENDIX 1, FEE SCHEDULE, SECTION 27: WATER SERVICE RATES AND CHARGES, PARAGRAPHS (1) THROUGH (4) OF THE REVISED CODE OF ORDINANCES OF THE CITY OF TERRELL, TEXAS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

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

THAT Appendix I, Fee Schedule, SECTION 27, WATER SERVICE RATES AND CHARGES, PARAGRAPHS (1) THROUGH (4) of the Revised Code of Ordinances of the City of Terrell, Texas, shall hereby be amended to read as follows:

SECTION I.

SECTION 27: WATER SERVICE RATES AND CHARGES

The following schedule of monthly rates or charges for water services furnished by the City shall be and such is hereby adopted and established as follows:

(1) There is hereby established a minimum monthly water use charge based upon the water meter installed as follows:

Meter Size (in.)	Minimum Charge
5/8	$ 14.37
1	$ 35.13
1 1/2	$ 69.75
2	$ 111.28
3	$ 222.01
4	$ 381.21
6	$ 779.88
8	$ 1,177.20
10	$ 1,800.12
12	$ 2,977.14

(2) Subject to the minimum monthly charges as provided in subsection (1) above, the following rates per month shall be charged for water furnished:

CHARGE (per 1,000 gallons) for Residential Customers:

VOLUMETRIC RATES					
Rate Blocks (gal.)	0 - 2,000	2,001 - 10,000	10,001 - 25,000	25,001 - 50,000	> 50,000
Volume Charge (per 1,000 gal.)	$ 3.49	$ 4.77	$ 5.18	$ 5.68	$ 6.25

CHARGE (per 1,000 gallons) for All Other Customers:

VOLUMETRIC RATES				
Rate Blocks (gal.)	0 - 2,000	2,001 - 10,000	10,001 - 25,000	> 25,000
Volume Charge (per 1,000 gal.)	$ 3.49	$ 4.77	$ 5.18	$ 5.68

(3) The monthly charge for private fire protection service shall be as follows:

FIRE LINE CHARGE	
Line Size (in.)	Monthly Charge
4	$ 20.00
6	$ 20.00
8	$ 20.00
10	$ 20.00
12	$ 20.00

Water used through a fire protection service for purposes other than testing of system shall be at a rate equal to the largest volumetric rate applicable in subsection (2).

The following schedule of rates or charges for water services furnished by the City shall be and such is hereby adopted and established as follows:

(4) Wholesale water customer rates. Rates shall be determined by the methodology as stated in the wholesale water customer's contract. Wholesale water customers without a methodology in the wholesale water customer's contract will be charged $4.63 per 1,000 gallons of water.

SECTION II

All rates charged pursuant to this Ordinance shall be subject to an additional 4% Municipal Assessment.

SECTION III.

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

SECTION IV.

It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of the 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 unconstitutionality 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 in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION V.

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 THIS THE 20th DAY OF AUGUST, 2013.
PASSED AND ADOPTED THIS THE 3RD DAY OF SEPTEMBER, 2013.

14. Discuss and Consider Adoption On Second Reading Ordinance No. 2578 – Fiscal Year 2013-2014 Budget.

ORDINANCE NO. 2578

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013, AND ENDING SEPTEMBER 30, 2014; 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 FUND AND OTHER FUNDS 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, 2013 and ending September 30, 2014; 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	$16,310,089	$16,268,887
Utility Fund	$12,388,560	$12,155,827
Equipment Replacement Fund	$ 1,243,621	$ 1,111,110
Airport Fund	$ 397,,635	$ 474,788
Tourism Fund	$ 257,425	$
Capital Improvement Fund	$ 402,150	$ 705,000
Utility Capital Reserve Fund	$ 1,381,268	$ 2,060,000
Impact Fees Fund	$ 82,500	$ 185,000
Storm Water Management Fund	$ 160,200	$ 223,227
Interest & Sinking No. 1 Debt Service Fund	$ 2,853,101	$ 2,853,101
Tax Increment Finance District No. 1 Fund	$ 5,558,359	$ 7,624,000

and provides a complete financial plan for the fiscal year beginning October 1, 2013 and ending September 30, 2014 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, 2013 and ending September 30, 2014.

SECTION 2. That the sum of $36,036,990 is hereby appropriated for the payment of the expenditures established in the approved budget for the fiscal year beginning October 1, 2013 and ending September 30, 2014.

SECTION 3. That the expenditures during the fiscal year beginning October 1, 2013 and ending September 30, 2014 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 2012-2013 are hereby

ratified and the budget Ordinance for fiscal year 2012-2013 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 20th day of August, 2013.
Passed and adopted this the 3rd day of September, 2013.

END CONSENT AGENDA

Mayor Hal Richards recognized Stormy Robinson, visiting student from Trinity Valley Community College.

15. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government Code to Discuss the following:
    a.) Section 551.071 - Consultations with Attorney - pending or contemplated litigation.
    b.) Section 551.072 - Deliberations about Real Property.
    c.) Section 551.087 - Deliberation Regarding Economic Development Negotiations.

This item was passed by Council.

16. Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Executive Session.

This item was passed by Council.

17. 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