

REGULAR CITY COUNCIL MEETING

August 19, 2014

7:00 P.M.

A Regular City Council Meeting and Workshop of the Terrell City Council was held on Tuesday, August 19, 2014, 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 | SANDRA WILSON |
| COUNCILMEMBER #4 | CHARLES WHITAKER |
| COUNCILMEMBER #5 | D.J. ORY - ABSENT EXCUSED |

1. Call to order.

Mayor Hal Richards, called the meeting to order.

2. Invocation.

Deputy Mayor Pro Tem Charles Whitaker, gave the invocation.

3. Discuss and consider approval of meeting minutes of Special Council Meeting and Workshop of July 8, 2014, and Regular City Council Meeting of July 8, 2014.

Councilmember Sandra Wilson made a motion to approve Meeting Minutes of Special City Council Meeting of July 8, 2014 and Regular City Council of July 8, 2014. Deputy Mayor Pro Tem Charles Whitaker seconded the motion. Ayes - All. Nays - None. Motion carried.

4. Hear Remarks from Visitors.

There were no remarks from visitors

PUBLIC HEARING

5. a.) Conduct a Public Hearing to receive comments Regarding Water Rate and Wastewater Rate Increase for Fiscal Year Fiscal Year 2014-2015.

John Rounsavall, City Secretary, gave opening comments regarding Water Rate Increase for Fiscal Year 2014-2015 and stated for the record as follows:

Mayor and Council

Staff is proposing a rate increase of 5% for water and 5% for wastewater. Staff has analyzed the Fiscal Year 2015 budget and determined the rate increase is necessary to fund the rate increase from North Texas Municipal Water District of 9.3% as well as provide additional maintenance to the city wastewater system chemical feeder, pumps, motors, sludge mixer and increase funding for root control to the city's aging wastewater lines. The utility budget also includes 2 additional maintenance workers to improve

customer service and accountability related to the city's sewer system.

The financial impact of the water rate increase to a residential customer using 5,000 gallons of water per month is \$1.85. A customer using 10,000 gallons a month will see an increase of \$3.09. Approximately 30% of utility customers consume 3000 gallons of water or less per month. 60 % consume between 3,000 and 10,000 gallons per month.

The financial impact to of the wastewater rate increase to a residential customer using 5,000 a month is \$2.11 and 3.04 for a customer with a 10,000 gallon usage.

Mayor Hal Richards opened a Public Hearing to Receive Comment Regarding Water Rate Increase for Fiscal Year Fiscal Year 2014-2015. No one spoke against the Water Rate Increase for Fiscal Year 2014-2015. No one spoke in favor of the Water Rate Increase for Fiscal Year 2014-2015. Mayor Hal Richards, closed the Public Hearing.

5. b.) Discuss and Consider Ordinance No. 2607 Setting Water and Wastewater Rate Increase for Fiscal Year 2014-2015.

Mayor Hal Richards made a motion to approve on first reading Ordinance No. 2607 – Setting Water and Wastewater Rate Increase for Fiscal Year 2014-2015. Mayor Hal Richards made a motion to approve on first reading Ordinance No. 2607 Deputy Mayor Pro Tem Charles Whitaker, seconded the motion. Ayes - All. Nays - None. Motion carried.

ORDINANCE NO. 2607

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, AMENDING APPENDIX 1, FEE SCHEDULE, SECTION 27: WATER SERVICE RATES AND CHARGES, PARAGRAPHS (1) THROUGH (4) AND SECTION 28: SEWER SERVICE RATES AND CHARGES, PARAGRAPH (1) 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.

6. a.) Conduct a Public Hearing to receive comments Regarding the Fiscal Year 2014-2015 Budget.

John Rounsavall, City Secretary, gave opening comments regarding the Fiscal Year 2014-2015 Budget. and stated for the record as follows:

Mayor and Council

The draft budget is presented tonight for your review. The General Fund Budget is based on an estimated taxable value of \$928,193,696 dollars.. The proposed tax rate raises the current rate of .6493 by .03 cents to .6793 cents per 100 dollar valuation. This increase will be used to fund the debt service obligation for the new police facility.

The budget book provides the details for the following revenues and expenditures

| | REVENUES | EXPENDITURES |
|--------------|-----------------|---------------------|
| General Fund | \$17,359,724 | \$17,339,074 |
| Utility Fund | \$13,302,843 | \$12,928,928 |

| | | |
|--------------------------------------------|--------------|--------------|
| Equipment Replacement Fund | \$ 991,365 | \$ 1,139,360 |
| Airport Fund | \$ 406,235 | \$ 894,711 |
| Tourism Fund | \$ 252,250 | \$ |
| Capital Improvement Fund | \$ 2,400 | \$ 177,000 |
| Utility Capital Reserve Fund | \$ 1,246,130 | \$ 1,244,630 |
| Impact Fees Fund | \$ 82,500 | \$ 932,665 |
| Storm Water Management Fund | \$ 160,200 | \$ 243,909 |
| Interest & Sinking No. 1 Debt Service Fund | \$ 3,137,557 | \$ 3,212,557 |
| Tax Increment Finance District No. 1 Fund | \$ 6,764,000 | \$ 7,701,000 |

The proposed budget provides a complete financial plan for the fiscal year beginning October 1, 2014 and ending September 30, 2015 .

The Proposed Budget Includes Funding for:

- Continue funding for Downtown Façade Grant.
- Continue funding for Residential Development Incentive.
- Increased Funding for Street and Roadway Maintenance.
- Continued Funding for Labor for Your Neighbor and Terrell Citizens University
- Increase Funding for Demolitions

Mayor Hal Richards opened a Public Hearing to Receive Comment Regarding the Fiscal Year 2014-2015 Budget. No one spoke against the Fiscal Year 2013-2014 Budget. Don Thurman, 1103 Griffith, Terrell, TX 75160 spoke in favor of the Fiscal Year 2014-2015 Budget. Mayor Hal Richards, closed the Public Hearing.

6. b.) Discuss and Consider Ordinance No. 2608 Approving Fiscal Year 2014-2015 Budget.

Councilmember Sandra Wilson made a motion to approve on first reading Ordinance No. 2608 – Fiscal Year 2014-2015 Budget. Deputy Mayor Pro Tem Charles Whitaker, seconded the motion. Ayes - All. Nayses - None. Motion carried.

ORDINANCE NO. 2608

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2014, AND ENDING SEPTEMBER 30, 2015; 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.

7. a.) Conduct a Public Hearing to receive comments regarding a request for a zoning change from Single-Family (SF-7.5) to Multi-family (MF-22) on property located at 98 San Jacinto Street; being Lots 1 & 2, Block 43, Terrell Original Addition, City of Terrell, Kaufman County, Texas. (ZC-14-03)

Terry Capehart, Municipal Development Director, Presented to Council Planning and Zoning Commission recommendation regarding approval of a zoning change from Single-Family (SF-7.5) to Multi-family (MF-22) on property located at 98 San Jacinto Street; being Lots 1 & 2, Block 43, Terrell Original Addition, City of Terrell, Kaufman County, Texas. (ZC-14-03). Hal Richards opened a Public Hearing to Receive Comments Regarding. No one spoke against the No one spoke in favor of the Mayor Hal Richards, closed the Public Hearing.

7. b.) Discuss and Consider a recommendation by the Planning and Zoning Commission regarding approval of Ordinance No. 2610 changing the Zoning Classification from Single-Family (SF-7.5) to Multi-family (MF-22) on property located at 98 San Jacinto Street; being Lots 1 & 2, Block 43, Terrell Original Addition, City of Terrell, Kaufman County, Texas.

Deputy Mayor Pro Tem Charles Whitaker made a motion to approve on first reading Ordinance No. 2610 changing the Zoning Classification from Single-Family (SF-7.5) to Multi-family (MF-22) on property located at 98 San Jacinto Street; being Lots 1 & 2, Block 43, Terrell Original Addition, City of Terrell, Kaufman County, Texas. Councilmember Tommy Spencer, seconded the motion. Ayes - All. Nays - None. Motion carried.

NEW BUSINESS

8. Discuss and Consider Calling Public Hearing Dates and Time to consider a Tax Rate of 0.6793 per (\$100.00) one hundred dollar assessed valuation.

John Rounsavall City Secretary spoke for the record Mayor and Council, When the tax rate proposed by a governing body exceeds the effective rate or the rollback rate, whichever is lower, they must publish a public hearing notice.

The proposed public hearing dates are Tuesday September 2nd and Tuesday September 16th.

For our current fiscal year 2013 - 2014, the tax rate is 0.649300 cents per \$100.00 one hundred dollar valuation. For fiscal year 2014-2015, staff is proposing a rate of 0.679300. This amount is 0.030000 cents higher than the current fiscal year. The 0.030000 cents will fund the debt service for the Certificate of Obligation Series 2014 for the new Police Facility. This amount is greater than the 2014 calculated effective rate of 0.663528, by 0.015772 cents, and less than the calculated roll back rate of 0.753804 by 0.074504 cents.

Mayor Hal Richards, made a motion to set the dates September 2, 2014 at 7:00 PM and September 16, 2014 at 7:00 PM for Public Hearings to consider a Tax Rate of 0.6793 per (\$100.00) one hundred dollar assessed valuation. Councilmember Sandra Wilson, seconded the motion. Ayes - All. Nays - None. Motion carried.

9. Discuss and Consider two new applications for participation in the CBD Facade Improvement Program.

Terry Capehart, Municipal Development Director, Presented to Council for Discussion and Consideration two new applications for participation in the CBD Facade Improvement Program. Councilmember Sandra Wilson made a motion to approve two new applications for participation in the CBD Facade Improvement Program. Deputy Mayor Pro Tem Charles Whitaker, seconded the motion. Ayes - All. Nays - None. Motion carried.

10. Discuss and Consider appointments/reappointment to the Zoning Board of Adjustments.

Terry Capehart, Municipal Development Director, Presented to Council for Discussion and Consideration appointments/reappointment to the Zoning Board of Adjustments. Councilmember Sandra Wilson made a motion to appoint Tom Aldinger to the Zoning Board of Adjustments. Deputy Mayor Pro Tem Charles Whitaker seconded the motion. Ayes -All. Nays - None. Motion carried.

11. Discuss and Consider reappointments to Terrell Municipal Airport Board.

Mayor Hal Richards made a motion to reappoint Raymond Hicks, Michael Grout and Michael McGrew to the Terrell Municipal Airport Board. Deputy Mayor Pro Tem Charles Whitaker seconded the motion. Ayes - All. Nays - None. Motion carried.

CONSENT AGENDA

Councilmember Sandra Wilson, made a motion to approve and adopt on CONSENT AGENDA Ordinance No. 2606 on second reading. Deputy Mayor Pro Tem Charles Whitaker , seconded the motion. Ayes - All. Nays - None. Motion carried.

12. Discuss and Consider Adoption on Second Reading Ordinance No. 2606; An Ordinance to the City of Terrell, Amending Ordinance No. 2415 Section 12-7 of Chapter 12 of the Code of Ordinances of the City of Terrell, Texas, With the Addition of Section G., Average Winter Water Usage; Replacing Conflicting Ordinances; Providing for Severability; and Establishing an Effect Date.

ORDINANCE NO. 2606

AN ORDINANCE OF THE CITY OF TERRELL, TEXAS, AMENDING ORDINANCE NO 2415, SECTION 12-7 OF CHAPTER 12 OF THE CODE OF ORDINANCES OF THE CITY OF TERRELL, TEXAS, WITH THE ADDITION OF SECTION G, AVERAGE WINTER WATER USAGE; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

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

ARTICLE I

That Chapter 12, Section 12-7, Utility Billing Procedure, Average Winter Water Usage of the Code of Ordinances of the City of Terrell, Texas, is hereby amended by the addition of Section G.

Sec. 12-7. Utility Billing Procedure

G. Average Winter Water Usage

Each year during the month of April, the City shall compute the monthly average water usage for each residential customer for the month of December, January and February hereinafter called the Average Winter Water Usage.

This average shall be used to determine the annual residential sewer rate for each residential customer served by the City.

To qualify for the Average Winter Water Usage you must have resided at your residence prior to September 30 of the year requested. Residential Sewer Rates for all new services or for services started after September 30 shall be charged for 5,300 gallons, until an Average Winter Water Usage can be established.

ARTICLE II

That all Ordinances or parts of Ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

ARTICLE III

That 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 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.

ARTICLE IV

That this Ordinance shall take effect immediately from and after its passage.

PASSED AND APPROVED on first reading this the 8th day of July, 2014.

PASSED AND ADOPTED on final reading this the 19th day of August, 2014.

END CONSENT AGENDA

13. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government Code to discuss the following:

This item passed by Council.

- 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.
 - d.) Section 551.074 - Personnel Matters - City Manager.
14. Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Executive Session.
This item was passed by Council.
15. 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