

FARMERSVILLE CITY COUNCIL  
MEETING MINUTES  
March 27, 2012

The Farmersville City Council met in a regularly called session on March 27, 2012 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Joe Helmberger, Pansy Hundley, Paul Kelly, Billy Long, Russell Chandler and Jim Foy. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, Fire Chief Kim Morris, Finance Director Daphne Hamlin, and City Secretary Edie Sims.

CALL MEETING TO ORDER, ROLL CALL

Mayor Helmberger called the meeting to order. Edie Sims called the roll and announced a quorum was present. Mayor Helmberger welcomed all guests and visitors.

Mayor Helmberger announced that the Marketing Committee has an ad in the Texas Trail Lake Map that has Farmersville highlighted. Volunteers are needed for Boards and Commissions. The Annual Fire Department Fish Fry is May 19<sup>th</sup>.

PUBLIC HEARING – A PUBLIC HEARING TO CONSIDER, DISCUSS AND ACT ON AN AMENDMENT TO THE COMPREHENSIVE ZONING ORDINANCE BY AMENDING SECTION 77-91 TO ALLOW RESIDENTIAL LIVING QUARTERS ON THE FIRST FLOOR IN THE CENTRAL AREA DISTRICT WITH ACCOMPANYING ORDINANCE # O-2012-0327-001

Mayor Helmberger opened the Public Hearing at 6:05pm asking for those to speak in FAVOR the Zoning Ordinance amendment. Jack Alexander, owner of 1001 Bargains located at 110 McKinney Street, came before the Council stating he appreciates the efforts to have the Zoning Ordinance change to make this allowance. No one else spoke in favor of the amendment.

Mayor Helmberger asked for those OPPOSING the Zoning Ordinance amendment to come forward. Diane Piwko, residing at 200 McKinney Street, came before the Council expressing her opposition to the amendment. Ms. Piwko requested the Council not to repeat mistakes that happened in the downtown area. Apartments do not generate sales tax revenues. Dividing the type of use does not allow quality retail space and is not a good investment. Public restrooms are another issue to be addressed. Security of businesses and finding a balance of quality of life and quality of business is a question to be addressed. Ms. Piwko stated additional safeguards should be required the same as multi-family units if this amendment is passed. Ms. Piwko expressed that there is no immediate benefit to passing this ordinance, especially just for one person's interest. No one else spoke in opposition of the amendment. The Public Hearing was closed at 6:11pm.

Paul Kelly stated that the Planning & Zoning Commission searched and researched this issue and the ordinance presented is what was recommended for Council approval. At the last P&Z meeting, a discussion and end result occurred to remove owner occupancy as a requirement and to allow 60% area of the first floor to be



commercial and 40% area to be allowed for residential use. City Manager Ben White indicated Bureau Veritas inspected the business at 110 McKinney Street and did not report any findings that would prohibit this ordinance from passing. Paul Kelly expressed concerns of renting the space out to others rather than keeping the residential area restricted to owner/occupant. Mr. Kelly felt the responsibility of renting to others is not safe for the business or the area. Russell Chandler stated that if the residential area is owner/occupant, the owner has a heavy investment and liked the ordinance with owner/occupant requirement. Jim Foy expressed concerns of smaller square footage buildings not having enough space to benefit from this ordinance. The minimum square footage according to our Zoning Ordinance is believed to be 750 square feet. When the inspections are being performed, Bureau Veritas will inspect the building based on the commercial use as a whole. Mayor Helmberger stated that the real issue is the size of minimum residential square footage. Paul Kelly proclaimed that he does not like this ordinance as presented and does not trying to accommodate only one person. The rules should not be changed for one person. There are no hardships presented that would cause the Council to look at the situation from a different perspective. The retail business should be the biggest concern for our downtown area. What is to say that a store front would be closed and just have a living area. Billy Long stated he is in favor of businesses only on the first floor and no residential. In order for this ordinance to die, Council concurred that a motion would need to be made and a second would not be made in order for the Ordinance to die. Jim Foy motioned to approve Ordinance # O-2012-0327-001. No one seconded the motion. Motion died for lack of a second.

PUBLIC HEARING – A PUBLIC HEARING TO CONSIDER, DISCUSS AND ACT ON AMENDING CHAPTER 77, “ZONING,” OF THE CODE OF ORDINANCES, CITY OF FARMERSVILLE, TEXAS, BY AMENDING SECTION 77-1, “DEFINITIONS,” SECTION 77-94, “ACCESSORY AND INCIDENTAL USES,” AND SECTION 77-100, “RETAIL AND RELATED SERVICE USES,” RELATIVE TO DRIVE-IN AND DRIVE-THROUGH RETAIL AND COMMERCIAL FACILITIES AS ACCESSORY USES AND/OR PRIMARY USES ALLOWED BY RIGHT IN CERTAIN ZONING DISTRICTS BY ACCOMPANYING ORDINANCE # 0-2012-0327-002

Mayor Helmberger opened the Public Hearing at 6:25pm and asked for those FOR the amendment to allow drive-in and drive-through retail and commercial uses. No one came to speak for the amendment. Mayor Helmberger then asked for those OPPOSING the amendment to come forth. No one came to speak opposing the amendment. The Public Hearing was closed at 6:26pm.

Prior to the meeting, errors were found on the ordinance. Since Council did not receive the correction, Mayor Helmberger requested no action be taken until Council could review the corrected ordinance. Mayor Helmberger was asked to read the errors which were the first three “whereas” copied from the City Manager ordinance and escape lanes were to be removed.



Council proceeded to discuss the topic with Paul Kelly stating the current ordinance does not allow drive-ins and drive-through's other than restaurants like Dairy Queen and Sonic. Mayor Helmberger expressed that the ordinance presented does not limit the drive-in or drive-through use and allows a beer barn. Mr. Kelly firmly stated he does not like a drive-thru beer barn or the sales of alcohol. He stated he felt this was a safety issue as an individual driving through an establishment cannot be identified as having over consumed alcohol whereas an individual walking into an establishment can be better identified. A clerk can visualize the condition of a person buying alcohol as well as take notice of their breath. Pansy Hundley agreed with Mr. Kelly. Mayor Helmberger stated that the City should do all that can be done to capture retail sales tax revenues and does not see a drive-thru beer barn as an issue. Mayor Helmberger also stated that an ordinance cannot be passed exclusionary to one product. Paul Kelly stated that the City of Rockwall did. Jim Foy stated that the voters made the decision for the sale of beer and wine. A beer barn is selling beer and not liquor or mixed drinks. Mr. Foy also stated he doesn't believe that clerks pay that much attention to observe someone's condition whether driving up or walking in. He too stated that he did not want to discourage sales tax revenues. Mr. Foy stated this was a reasonable ordinance presented. Russell Chandler stated he is looking at the safety side and does not see this being a big issue. City Manager Ben White stated he has attended the Planning & Zoning meetings and the Commission looked in terms of restrictions and didn't want peculiarities around wordy over restrictions. A lot of discussion evolved around the stacking spaces and the cost to meet the fire lane requirements. Billy Long asked Police Chief Mike Sullivan to report on safety issues as described by Councilman Kelly. Chief Sullivan replied that he does not have definitive resources to look to or the particulars regarding the types of businesses to indicate whether an increase of crime has been detected.

Jim Foy motioned to approve the ordinance with the changes made as described at the beginning of the discussion by Mayor Helmberger with Russell Chandler seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Paul Kelly no, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion carried by vote 4 to 1.

#### WORKSHOP – SALARY SURVEY FOR CITY EMPLOYEES

City Manager Ben White began by stating he is not looking for a hard line decision at this meeting regarding the salary survey, but wanted to present to the Council where we stack up with like cities that we compete with. The decision was to compare with cities in our area. Mr. White presented a series of spreadsheets and identified each category. For the most part throughout the salary survey, it was found that we are at the bottom, if not the lower end of the minimum salary compared to other cities. The Library showed to be commensurate, however Farmersville is very unique to have a library with a population our size. Most cities in our area do not have a library. Farmersville's Police Chief, Fire Chief, Finance Director and City Secretary are at the bottom of the list. Farmersville's Court Clerk is in the middle. Farmersville has a lot of different things in comparison with other cities. Mr. White stopped short of making a



recommendation to allow the Council to review and give feedback and then direction. Mayor Helmberger stated he would like to study the information and indicated that this will play a key part of the upcoming budget process. Jim Foy mentioned health insurance and asked what amount is paid by employees for dependent coverage and what amount is paid for employee coverage. Daphne Hamlin stated the employee's pay over \$500 per month for dependent coverage and the employee insurance is paid 100% by the City. Not all employees have flex accounts, but the \$1,440 is used toward paying insurance costs. The City of Prosper offers each employee \$500 per month and allows the employee to choose their own plan for an HRA account or us for dependent coverage. This topic will be brought back for more discussion and will have in the budget workshops.

#### WORKSHOP – BUDGET WORKSHOP TO REVIEW CASH ACCOUNT STRUCTURE AND CONSIDER FUTURE BUDGET REVISIONS

City Manager Ben White presented a Summary of Cash Balances. This report was created by Bobby Bishop quite some time ago and was revived as a definitive report to give a clear financial picture of all cash balances. Mr. White spent a great deal of time researching each account and found that several were now deemed dead accounts as their usefulness has expired, yet funds were still sitting in these accounts. Mr. White stated he wanted to be responsible and frugal with the City's money and follow good management rules. Mr. White attained advice from David Medanich, our representative for bonds. Mr. Medanich suggested having 2 months of reserves and remove the excess. This excess can offset the payment required to make building repairs to the Public Safety Building. Mr. White stated we should make the money work for us.

Presently the City has an ordinance which requires a 90 day operating fund in reserve which is restricted for emergencies. Mr. Medanich informed Mr. White that this fund does not affect our bond rating.

Mr. White worked with our Finance Director Daphne Hamlin. A 90 day operating supply is reserved for the water and wastewater funds. This amount is deemed very conservative, and will allow the other funds to be used for non-budgeted purchases. When a pump goes out or other significant cost for the water/wastewater departments, we have an unappropriated surplus account which is reserved for those types of expenditures without affecting the General Fund budget. These funds can also be used toward the pipeline for the junction box for excess discharge when the new Regional Wastewater Treatment Plant is built. Currently our wastewater plant is working way over capacity. Texas Commission on Environmental Quality (TCEQ) monitors our plant's capacity and will work with the City as long as we show productivity towards improving our wastewater treatment condition. This portion of the Cash Balances will help our bond rating. There also exists an Electric Reserve fund to cover electric needs. When a new developer comes in, the City bears the cost of improving the transformer to provide ample electricity. When the Collin College is built, we will bear the cost to improve the electric transformer to provide service. A surcharge could be used to replenish this fund with no additional risk.



Mr. White indicated that a large problem was understanding where funds are and the limitations on the funding accounts. Mr. White and Daphne Hamlin researched and re-evaluated the cash balance accounts to be more productive for the City. Mr. White indicated those changes by pointing out the dead accounts and reutilizing the funds to be more productive than sitting unused for an undetermined amount of time on the Summary of Cash Balances January 2012, Revised. The reason January's totals were used is due to all bookkeeping and balances were completed. This allows for a more accurate picture of the cash balances. Mr. White then guided the Council through Proposed Budget Amendments which included two groups of items which would benefit the City. Another issue that recently arose was the emergency sirens. The sirens were tested last week to find that both sirens did not work. One at the South end of town finally become operational, but the North siren is still not functioning and will take funding to make necessary improvements. When making the improvements, it makes sense to make the changes that are shortly to be implemented which will require a narrow bank setup. Police Chief Mike Sullivan informed the Council that the current FCC licenses do not properly cover the City's needs in the event of a catastrophic emergency. The Police and Fire Departments operate from a trunking system out of Collin County. The federal government has required that all departments operate from a VHF narrow bank system by 2013. By making this change now, it will allow Farmersville to be independent in the event of a catastrophic event that cuts us off from Collin County and other outlying entities.

Mr. White also opened the discussion to the ISO rating and the desire to change our rating from a 5 to a 3. This change would lower all residents homeowner's insurance; but the price to do so would be the cost of a pumper truck for the Fire Department. Mr. White researched to find that if the rescue truck was paid off and the Quint was refinanced with the purchase of the pumper truck, we would get the same payment. For not much of cash outlay, Farmersville can lower the ISO certified rating. This will put our Fire Department with 2 engines and 1 ladder truck (Quint). Daphne Hamlin stated by refinancing, the payments would extend for an additional 4 years of payments of \$61,000 at 4.9% interest.

Mr. White stated he would like to purchase a 3/4 ton crew cab truck for Public Works. Mr. White included in the proposed amendments the cost for demolition of the Southlake Clubhouse. The Club House was abated for asbestos and the cost was more than expected. Last on the list in Group 1 was office furniture to include chairs to replace broken chairs for staff. Many of the chairs throughout the City offices are broken and dilapidated.

Mr. White requested an overall general impression of the budget amendment proposals. Pansy Hundley stated she liked the breakdown of the Cash Accounts. Mayor Helmlinger expressed concerns not to bypass normal budget processes. City Manager Ben White wanted to give a clear understanding of the cash accounts and what opportunities are available to have the dead funds work for us. A question was raised what percentage the ISO rating affect commercial and residential owners. Fire Chief Kim Morris stated that a decrease of insurance approximately 17% could be seen



by commercial owners and approximately 7% decrease in homeowners insurance for residential homeowners. These rates are approximate when comparing the ISO rate dropping from level 5 to level 3. Jim Foy stated he would like to have the Council consider the items in Group 1 and have Group 2 returned during the budget sessions for next year's budget. Mayor Helmberger was interested in the laptop request for the Fire Chief; however Kim Morris indicated this expenditure could be accomplished in next year's budget. Chief Morris stated this is not a critical item. Mayor Helmberger requested the Centennial Committee be contacted regarding Library needs which are listed in Group 2. Paul Kelly expressed concern not seeing any financial increase for employees. City Manager Ben White stated he has a plan to present to the Council in regard to this topic; however the cash reserves are in excellent shape. Mr. Kelly stated he would like to see a one-time increase for the employees, but if allowable for continued funding, an increase in employee salaries.

#### RECEIVE REQUEST FOR PROPOSALS FOR BANKING SERVICES AND AWARD BID

Finance Director Daphne Hamlin and City Secretary Edie Sims reported to the Council the findings of the comparison for banking service proposals from First National Bank of Trenton and Independent Bank. The comparison was very difficult as both banks provided the same services with only two slight differences. Independent Bank offered more with basis points on the NOW account whereas First National Bank of Trenton offered .35% on the Money Market Account with Average Daily Balance over \$200,000. City Manager Ben White informed the Council that it will be a huge undertaking to change banks with many hours involved. Jim Foy motioned to award the bid to First National Bank of Trenton with Russell Chandler seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Paul Kelly yes, Billy Long yes and Jim Foy yes. Motion passed with full Council approval.

#### CONSIDER, DISCUSS AND ACT UPON RESOLUTION # R-2012-0327-001 TO ADOPT THE POLICIES AND PROCEDURES FOR THE POLICE DEPARTMENT

With policies and procedures being approved by the Council by Resolution, Paul Kelly motioned to approve Resolution # R-2012-0327-001 with Russell Chandler seconding the motion. Jim Foy questioned if the policies and procedures are planned to be available on the website. Police Chief Sullivan stated he does not mind any of these policies being available other than patrol operation tactics. A poll of the Council was taken as follows: Pansy Hundley yes, Paul Kelly yes, Billy Long yes and Jim Foy yes. Motion passed with full Council approval.

#### CONSIDER, DISCUSS AND ACT UPON RESOLUTION # R-2012-0327-002 TO AUTHORIZE AND APPROVE A \$153,500.00 LOAN BY THE FARMERSVILLE COMMUNITY DEVELOPMENT CORPORATION TO PURCHASE 20.537 ACRES OF LAND FOR COMMUNITY PARK AND RECREATIONAL USES

Mayor Helmberger advised the Council that during the purchase process, it was found that the Resolution was a legality. The Community Development Board is still making purchase of the property and utilizing sales tax increase funds. Jim Foy



expressed concern since this purchase was not budgeted and approved by Council and the purchase price and details were not previously submitted to Council. Mr. Foy also expressed concern that other projects that were budgeted for are now removed from the 4B's projects. Diane Piwko, representing the 4B Community Development Board, came forth and informed the Council that the funding allocated for the land purchase came from 4B's reserve fund. Costs used for making this purchase will be spread out with \$25,000 being spent from this year's budget to include \$3,000 for legal fees. Ms. Piwko stated the Splash Pad reclamation project was placed on hold due to the drought but could be resurrected. All other projects are still being financed through this year's budget as approved. The payments for the land acquisition will be financed over 10 year period which will amount to \$22,000 each year. Billy Long gave accolades to the 4B Board members who have worked very hard on this project. Billy Long motioned to approve Resolution # R-2012-0327-002 with Paul Kelly seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Paul Kelly yes, Billy Long yes and Jim Foy yes. Motion passed with full Council approval.

CONSIDER, DISCUSS AND ACT UPON ACTIONS TO MAKE FARMERSVILLE A "QUIET ZONE" REGARDING RAILROAD TRAFFIC

Mayor Helmberger stated that the City of Wylie has 13 railroad crossings and accomplished attaining a "quiet zone" and the City of Farmersville should pursue this venture. Three of our 4 railroad crossings are subject to being rebuilt due to the Highway 380 widening project. Concessions from TxDOT have indicated that now is the time to react. City Manager Ben White stated there are two methods; one is to have a median prior to the crossing. The other method is to have "baseball bats" to indicate quiet zones. Mr. White stated he would like to use the model that Wylie has set forth and replicate them. Once all the infrastructure for this project is in place, the railroad can be contacted and have the areas inspected to meet railroad approval. Mr. White stated he would rather go this route rather than spend funds on a study. Council concurred to move forward.

FIRST READING – CONSIDER, DISCUSS AND ACT UPON BUDGET AMENDMENT ORDINANCE # O-2012-0410-001 TO FUND THE REPAIRS TO THE PUBLIC SAFETY BUILDING

City Manager Ben White presented the Budget Amendment Ordinance with information as presented during the Budget Workshop session earlier in the meeting. The transfer of funds would come from the Wastewater Fund. The debt service amount required for this fund has already been met; therefore any other funds coming into this account are in excess. The excess is requested to be redirected to the Police Expense to make necessary repairs to the Public Safety Building which will not burden our cash position. Pansy Hundley questioned the estimated time for repairs. Mr. White indicated the repairs will be slower since the contractor has been instructed not to interfere or disrupt the office flow. All work is to be subcontracted with exception of some flatwork (concrete) that may be done by City workers. Russell Chandler motioned to approve Ordinance # O-2012-0410-001 on first reading with Jim Foy seconding the motion. A



poll of the Council was taken as follows: Pansy Hundley yes, Paul Kelly yes, Billy Long yes and Jim Foy yes. Motion passed with full Council approval.

EXECUTIVE SESSION: DISCUSSION OF MATTERS PERMITTED BY THE FOLLOWING SECTIONS OF TEXAS GOVERNMENT CODE CHAPTER 551, SECTION 551.074, DELIBERATION REGARDING PERSONNEL MATTERS – CITY MANAGER’S COMPENSATION PACKAGE ISSUES

Council existed into Executive Session at 8:42pm.

Council reconvened from Executive Session at 8:56pm.

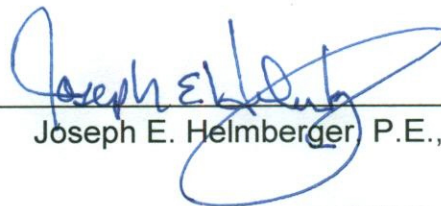
ACTION REGARDING ITEMS DISCUSSED IN EXECUTIVE SESSION

No action to be taken on the item discussed in Executive Session. The item will need to return on the next agenda for final completion.

ADJOURNMENT

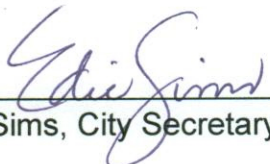
Council adjourned at 8:57pm.

APPROVED



Joseph E. Helmberger P.E., Mayor

ATTEST

  
\_\_\_\_\_  
Edie Sims, City Secretary

