

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
NOVEMBER 13, 2012

The Farmersville City Council met in a regularly called session on November 13, 2012 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Joe Helmberger, Pansy Hundley, Michael Carr, Billy Long, Russell Chandler and Jim Foy. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, Fire Chief Kim Morris, Assistant to the City Manager Paula Jackson, Court Clerk Christi Dowdy, Finance Director Daphne Hamlin, Librarian Trisha Dowell, City Attorney Alan Lathrom and City Secretary Edie Sims.

Item I) 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. Bishop David Marbles of the Church of Jesus Christ of Latter Day Saints offered the invocation.

Mayor Helmberger read a letter of commendation regarding the EMS team that assisted a medical patient on October 15, 2012. Mayor Helmberger thanked the LDS Church for their mission work in Farmersville which included the Chaparral Trail and assistance at the Rike Library. Mayor Helmberger commended the Farmersville Fire Department on the successful completion of the ISO audit. Mayor Helmberger commended Police Chief Mike Sullivan for becoming a Certified Firefighter. And lastly, Mayor Helmberger announced the birth of his first grandchild.

Item II) CONSENT AGENDA

Mayor Helmberger requested to pull Item A – City Council Minutes, Item B – City Financial Report, Item G – Municipal Court Report, and Item H – Public Works Report for discussion. Russell Chandler motioned to approve the items C, D, E, F, I and J of the Consent Agenda as presented with Jim Foy seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item A – City Council Minutes: Mayor Helmberger questioned the use of “Motion passed with full Council approval” when only 3 members of the Council were present at the October 9th Council meeting. City Secretary Edie Sims stated the method has been consistent with the full Council being all present at that specific meeting. Mayor Helmberger also noted that the request regarding a plan to be developed surrounding the parking issues at the Spain Athletic Complex was not included on the October 9th minutes.

On the October 23rd minutes, Mayor Helmberger requested clarification from Jim Foy regarding the 11¢ average for the electric surcharge. Mr. Foy requested to strike the statement “...increase which would average 11¢.” Mayor Helmberger also stated an error of Mr. Ken Wesson’s name showing the correct spelling. Mayor Helmberger also indicated he liked the word “futuristically” but asked it be changed to “In the future...” The term silage was used with Mayor Helmberger requesting a change to sewer and to clarify the 3 mile radius of the wastewater treatment facility discussion.

Jim Foy motioned to approve Item A – City Council Minutes with the aforementioned amendments with Billy Long seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item B – City Financial Report: Mayor Helmberger requested Finance Director Daphne Hamlin to review each fund with the Council.

The General Fund reflects a revenue balance budget as of September 2012 of \$70,105 with an expenditure budget balance of \$180,563. An overall deficit of \$110,458 is reflected as unaudited figures. The Interest and Sinking Fund revenues are down due to the taxes not coming in. The Refuse Fund shows 103% revenues collected with 106% expenditures. This is due to 13 months of expenditures rather than the standard 12 months. This issue will be corrected during the audit. The Water Fund is up 108% in revenues with 94.85% of expenditures to finish the year. The Wastewater Fund had 93% in revenues with expenditures reaching 85.98%. Overall the Water and Wastewater Funds are in good shape. The Electric Fund also ended the year with 100% revenues collected and 98% expenditures.

With the amendments to the budget made throughout the year, the budget ended on a good note. Again, Ms. Hamlin referred to the figures as being unaudited.

Billy Long motioned to approve Item B – City Financial Report with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item G – Municipal Court Report: Mayor Helmberger made comment of the Court revenues peaking every 4 months. Court Clerk Christi Dowdy informed the Council that the income trends do not have rhyme or reason. Normally income rises during the months of March and April due to income tax returns, but there is not a reason for any peaks of income. Jim Foy stated he noticed only 2 cases were cleared by the collection agency. This collection agency made promises; however none of those promises were fulfilled. Ms. Dowdy informed the Council that she had performed an internal audit and was very successful with placing many warrant recipients on a payment plan. The collection agency has not been successful and the contract will end early next year. City Manager Ben White indicated that more has been accomplished internally than externally.

Russell Chandler motioned to approve Item G – Municipal Court Report with Billy Long seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item H – Public Works Report: Mayor Helmberger requested tabulation on the progress of the General Obligation Bonds.

City Manager Ben White announced street work through the GO Bond has begun on Sycamore Street with the painting of sections to be identified as problem areas. Additional survey work will need to be performed and then Daniel and Brown will provide a bid packet for construction. The original budget for this street is \$100,000; however Mr. White is confident that \$70-80,000 can be used and allows City Public Works to manage the project. This will be a huge savings as we have staff members who are very well versed with streets. The next issue to be address will be Hamilton Street between Yucca and Gaddy Streets. The reason for the street issues is due to water line issues. The utilities will need to be moved outside the street which City crews can accomplish. The main problem with this area will be the driveway crossings. Currently no projections have been prepared but survey work and engineering will be acknowledged and turned into a bid package. Daniel and Brown will lend all technical support. Jim Foy questioned if Collin County has been considered for the overlay projects with Mr. White indicating that Collin County has been considered if their prices are competitive. Orange Street will be a project by the County next year and County Road 557 will be a project

under immediate implementation. Collin County Public Works completed Old Josephine Road where a culvert was sinking.

Mr. White indicated that the focus is on Sycamore and Hamilton Streets. Then next will be the overlay projects, one behind another. Once the overlay projects are complete, then the extensive projects will be picked up.

In relation to the General Obligation Bond, the water related topics include the Automated Meter Reading system. A prototype has been delivered and an initial 50 systems will be installed at Willow Brook Estates, along FM 2194 and at each Council person's residence. The Wastewater projects listed for the GO Bond will be worked after taking care of the water projects first; however engineering will be prepared in advance so the projects can begin without delay.

Jim Foy mentioned that the water calendar chart shows our water loss at 9% whereas nationally the average is 20% water loss. Mr. White indicated that efforts are being implemented to record water losses more efficiently and to include flushing lines.

Another item brought to the Councils' attention is the water line interconnection at Raymond Street which is being connected now. Mayor Helmberger also requested an update on Phase 3 of the Highway 380 project.

Jim Foy motioned to approved Item H – Public Works Report with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item III) INFORMATIONAL ITEMS

Council did not request further information or clarification regarding Informational Items.

Item IV – A) PUBLIC HEARING – A PUBLIC HEARING IN REGARD TO THE SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR TRANSPORTATION ENHANCEMENT PROGRAM FUNDS TO ASSIST IN THE CONSTRUCTION OF THE MULTI-PURPOSE PATHWAYS IN THE CITY

Mayor Helmberger opened the Public Hearing at 6:33pm and asked for those to come forward who were for approving the submission for the TxDOT Transportation Enhancement Program. Diane Piwko, residing at 200 McKinney Street stated as President of the Community Development Corporation Board, the priority has been high for the Chaparral Trail project and it has great benefits to our community and wished to express her confirmation of moving forward with this funding submission.

Mayor Helmberger asked for those who were opposing the submission for the TxDOT Transportation Enhancement Program to come forward. With no one coming forward, Mayor Helmberger closed the Public Hearing at 6:35pm.

Item V – A) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO ANNEX 5.921 ACRES INTO THE CITY LIMITS OF FARMERSVILLE

Mayor Helmberger announced that the property requested for annexation is the additional part of the parcel which the Farmersville Community Development Corporation recently purchased. Three quarters of the property is already within the incorporated limits of the City of Farmersville and 5.921 acres is the remainder of this parcel. Billy Long motioned to approve the ordinance as presented at the first reading with Jim Foy seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item V – B) FIRST AND ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGARDING A BUDGET AMENDMENT FOR FISCAL YEAR 2012-2013 REGARDING MATCHING FUNDS FOR THE CHAPARRAL TRAIL GRANT PROJECTS

City Manager Ben White informed the Council that the City was funded a matching grant through Collin County Open Space. The City must have \$150,000 and Collin County will fund \$150,000. The Community Development Corporation was gracious to fund \$50,000 which left \$100,000 for the City to fund. This project will bring the Chaparral Trail to a mid-point of completion. Phase 1 was with Texas Parks and Wildlife funds which consisted of decomposed granite installation. Phase 2 will be funded through Collin County Open Space funds which will allow decomposed granite to be installed closer to the end of the trail. Phase 3 will hopefully be funded by the TxDOT Enhancement Grant which was just approved for the grant submission which will have all the amenities and dress up improvements to the end of the trail at Hunt County line. Mr. White stated he felt the Chaparral Trail is a good use of the expenditures from the surplus fund.

Mayor Helmberger announced that he and Mark Vincent are presently on the Board of the North East Texas Trail Association. Farmersville has been diligently working toward the construction of our portion of the trail since 2005. Recently, Texas Highways Magazine came and did a photo shoot of Chaparral Trail which will be published in March 2013. Many people along the trail have been working toward completion of this 130 mile trek from Farmersville to New Boston.

City Manager Ben White indicated our cash position is very good and the expenditure will not reduce our surplus significantly. The unrestricted funds will go up after the audit has been completed. Billy Long motioned to approve the ordinance as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item V – C) FIRST AND ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGARDING A BUDGET AMENDMENT FOR FISCAL YEAR 2012-2013 REGARDING THE PURCHASE OF LIGHTING TO ENHANCE THE LIGHTING AND SAFETY OF THE DOWNTOWN AREA

City Manager Ben White proposed the budget amendment ordinance as presented. The City had been funded a grant through Texas Capital Funds for sidewalks in the downtown area. When all the sidewalks were completed, funding was still remaining and a change order was requested to install lighting for enhancements and safety to the downtown area. The Texas Capital Fund board has denied the change order request stating that the change order was not part of the initial grant submitted. Grantworks is protesting the Texas Capital Funds board; but, the project is still a viable need to provide proper lighting and safety to our downtown area. The project would raise the banner height and would provide improved lighting. Mr. White suggested we move forward with the project which will benefit the City. The project will include LED lighting to be installed at the Farmersville Historical Society's Bain-Honaker House as well as sidewalk installation which will benefit the Bain-Honaker House. Lighting replacements from the downtown area will be rejuvenated and used at the Bain-Honaker House. Mr. White indicated this is not a project which must be done, but if we move forward, the funding requested would be for materials only. Mr. White also presented a sample light that included newly advanced LED lighting for this type of decorative street light. The operation costs will go down. The reliability and long term efficiency will pay for itself within 3-4 years.

Again, Mr. White stated that this project does not have to be done, but we are in a good cash position at this time and this would allow us to complete this project. Grantworks, if successful, may be able to work with Texas Capital Fund board to reimburse us for this expenditure. The remainder of the poles not utilized at the Bain-Honaker House can be reutilized on the Chaparral Trail and provide more lighting.

Jim Foy expressed concern that even with the new lighting, that the sidewalk will still not meet ADA compliance requirements. Mayor Helmberger stated that as long as we are not designating that area as the ADA route, we can move forward with the project. The ADA route will be along the sidewalks on the east side of the street along South Main.

Billy Long motioned to approve the ordinance as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item V – D) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE MASTER FEE SCHEDULE REGARDING AN ELECTRICAL SURCHARGE RATE FOR THE CITY OF FARMERSVILLE'S ELECTRICAL SYSTEM

Mayor Helmberger stated that funding for maintenance and repairs regarding our electric system have not been budgeted for several years. We must place funding in our budget to prepare for a catastrophic event.

City Manager responded by introducing an electrical system surcharge estimating tool which was provided by Dwight Yarborough, representative of Sharyland Utilities. The goal is to raise \$12,500 per month which is a good number to achieve. There is a need for more funding, but the \$12,500 per month will allow us to get a good start to moving forward with our electrical system. This target will produce \$150,000 per year with the vast majority being residential customers.

Mr. White indicated that another possibility would be to charge an overall kilowatt rate by applying \$.005 per kilowatt hour. This rate was based on historical data over the past two years. This method is variable based on the kilowatt hours sold whereas the set rate as provided by the estimating tool is more definitive. Either way though, both will achieve the goal of \$150,000 per year.

Mr. White also indicated that the surcharge fee must be separated on the bill and will be placed in a specific fund to be used only for maintenance, repairs and improvements to our electrical system. Mr. White also indicated that at some point if enough funds are saved that the surcharge fee could be removed. Jim Foy stated that several years ago Sharyland had indicated between \$500,000 - \$600,000 was needed for improvements to our electrical grid. This is a great start; however Mr. Foy preferred the kilowatt charge versus a flat rate monthly charge. Pansy Hundley indicated her preference of a per kilowatt charge which allows a charge per use.

Jim Foy motioned to approve adopting an ordinance with the surcharge rate of \$.005 per kilowatt hour and not make a differentiation between types of customers and that all funds will be kept separate. Billy Long seconded the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item VI – A) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION THAT AUTHORIZES THE SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR STEP (SAFETEA-LU) FUNDS FOR ASSISTANCE IN

CONSTRUCTING THE CHAPARRAL TRAIL EXTENSION AND ALLOW THE CITY MANAGER TO EXECUTE ALL DOCUMENTS REGARDING THE GRANT AND OTHER INFORMATION REGARDING THE PROJECTS ON THE CHAPARRAL TRAIL

A resolution was presented to the Council to make an application for a funding opportunity through Texas Department of Transportation to complete the Chaparral Trail. The resolution does require an amendment from a pledge of 20% match to 30% match to enhance the City's leverage of attaining the funding.

City Manager Ben White took this opportunity to also inform the Council of the existing project along the Chaparral Trail which is being funded by the Texas Parks and Wildlife grant. This portion of the project allowed for decomposed granite to be placed a little over half way from the edge of the City toward the end at the Hunt County line and is expected for completion by December 2012. Phase 2 of the project will be funded by the Collin County Open Space grant which will improve the trail further and is expected completion by June 2013. Phase 3, which is regarding the resolution for application through TxDOT as presented, would complete the trail with amenities including a restroom facility, signage and entry way at FM 2194. Russell Chandler motioned to approve the resolution as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item VI – B) CONSIDER, DISCUSS AND ACT UPON A CONTRACT AMENDMENT FOR EMS SERVICES THROUGH COLLIN COUNTY

City Manager Ben White informed the Council that contract amendment for EMS services through Collin County is a standard contract that is performed annually. The amount budgeted for the City's 2012-2013 fiscal year budget is correct with the amount reflected on the contract amendment. Billy Long motioned to approve the amendment as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes and Jim Foy yes. Russell Chandler abstained from voting. Motion passed with 4 votes of approval and 1 abstention.

Item VI – C) CONSIDER, DISCUSS AND ACT UPON A REVOCABLE LICENSE AGREEMENT WITH ONEOK STERLING III PIPELINE, LLC REGARDING THE PERMISSION TO CONSTRUCT AND INSTALL AN UNDERGROUND NATURAL GAS PIPELINE CROSSING THE CHAPARRAL TRAIL

Mayor Helmberger stated that by Oneok Sterling III Pipeline not producing the Exhibit reflecting the placement of the pipeline, we do not have specific information on the crossing of the City property; therefore, no action was taken by the Council. Mayor Helmberger stated that the proposed depth of 60 inches below existing grade is not sufficient and requested the encasement be a minimum of 12 feet below existing grade.

ITEM VI – D) UPDATE ON THE COMPREHENSIVE PLAN

City Engineer Eddy Daniel came before the Council with a revised calendar of events surrounding the Comprehensive Plan and the stages for approval. After a recent meeting with Janet Tharp who is performing the Plan, the presentation meeting for the FEDC and FCDC has been moved forward one month which will also move forward the adoption by the P&Z and City Council a month forward. Revised drafts are being prepared which will then be presented to the FCDC, FEDC, along with an additional public meeting then on to Planning & Zoning Commission and finally having adoption by the City Council on February 26, 2012. This is a significant plan to help us with the direction of the City's future and Ms. Tharp wants all the input by the public as possible. City Manager Ben White indicated that he felt we were pressing too

hard which could create a product that wasn't perfectly prepared. Eddy Daniel indicated the delay will not be too significant, but will allow enough time for corrections and additions. With the FEDC funding this project, it is correct to have them briefed early in the final processes. Once the Council has adopted the Plan, impact fees will be pursued. Mr. White denoted that Janet Tharp has had a vast amount of experience with Comprehensive Planning including performing a Plan for the City of Dallas. No action was taken by Council as this was an informative item only.

ITEM VI – E) CONSIDER, DISCUSS AND ACT UPON THE WASTEWATER TREATMENT SYSTEM AS PRESENTED BY DANIEL AND BROWN, INC.

City Engineer Eddy Daniel informed the Council that after the last Council meeting where wastewater treatment facility needs were discussed, figures have been attained regarding a package plant. Purchasing a used package plant could cost around \$875,000 which costs \$2 - \$3 per gallon whereas a conventional plant would cost \$5 per gallon. If the City chose to build a new plant, we would have to replace all of the existing capacity with the new plant producing 1,000,000 gallons per day. Mayor Helmberger announced that we are not at a point to resolve the problem. Presently, the system we have does not allow any amount of growth. Per Mr. Daniel, we can bring in the College; but we would not have the capacity for a large development at this time. By acting on our wastewater treatment system now with a package plant, we will buy a little more time. However, with a package plant, the time allowed will be 5 years and we will have other needs at that time. If we buy a new plant, we could always sell the package plant. A used plant is also an option that could also be resold at the end of its lifetime for the City.

Eddy Daniel's recommendations are as follows: 1) to proceed with preliminary design to determine budget considerations for the addition of a package sewer plant to be located at the existing plant site in order to maximize existing discharge permit; 2) begin the process for identifying the location of a new wastewater treatment plant and obtaining a new wastewater discharge permit for the City – this could take well over a year just to begin the permit process which normally takes 5 years before attaining a permit; or 3) if appropriate, take advantage of the opportunity to joint venture with a developer/others for a regional wastewater treatment plant.

Mr. Daniel recommended the City pursue option 1 and start a new discharge permit process. For an investment of \$5,000, the City can start on Phase 1. Mr. Daniel stated that he could attain budget figures for a conventional plant. The cost for a discharge permit is approximately \$75,000 - \$100,000 through Daniel & Brown, Inc. Per Eddy Daniel, we will need a package plant within one year. The City will continue working on the inflow and infiltration problems but realistically within one year, a major change to our plant must occur.

Mr. Daniel encouraged the Council to begin the process of locating a property and begin the planning for a regional wastewater treatment facility, which is a five year process. The development that has been planning to become a Municipal Utility District needs to be made aware of what the City is planning. City Manager Ben White referred the Council to the Summary of Cash Balances from the financial report. Presently the City has approximately \$647,000 that is in the reserves. This funding could be utilized for a new plant and to assist with short term issues.

Presently with this situation we are not in the driver's seat. Mr. Daniel indicated that a lot of the engineering has been done regarding a regional wastewater treatment. Jim Foy stated he is for expending \$5,000 to determine a location and laying out a preliminary timeline to also include details of a discharge permit and construction details. Mr. Daniel stated he would like to

look at 2 or 3 locations and perform a detailed budget. Mr. Foy also expressed the search for a used package plant and return with figures.

Russell Chandler motioned to approve \$5,000 expenditure to Daniel and Brown as stated with Jim Foy seconding the motion. A poll of the Council was taken as follows: Pansy Hundley yes, Michael Carr yes, Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – F) CONSIDER, DISCUSS AND ACT UPON A PROJECT RELATED TO THE MAIN STREET SIDEWALK GRANT IN ASSOCIATION WITH THE FARMERSVILLE HISTORICAL SOCIETY WHICH WILL AFFECT THE BAIN-HONAKER HOUSE

City Manager Ben White informed the Council that a current grant through Texas Capital Funds allowed a sidewalk to be constructed down Onion Alley; however the fence would need to be moved along the Farmersville Historical Society's property at the Bain-Honaker house. Mr. White proposed to put a sidewalk on this property which will enhance the property and complete the need for ADA compliancy. Actually a portion of Onion Alley is on the Farmersville Historical Society's property. Mr. White has worked with the Historical Society and has proposed to realign the fence approximately 1.75 feet from the edge of the sidewalk and all work will be performed by City employees and the City will pay for any materials. Presently the Bain-Honaker's fence is in the City's right-of-way. The City will also move and realign the front fence to make the property cohesive. With the lighting now approved, light posts can be installed to light up the alley and the back of the Historical Society's property. Mr. White suggested that the fence at the back of the property be continued with the picket styled fence and that a gate be added for access at the rear of the property. With these enhancements, the area will be ADA compliant and will be a vast improvement for the area and the Historical Society.

At this point, the issue will be timing. The original fence will need to be removed so that the sidewalks can be completed which will parallel the fence then come back to install the lighting. Pansy Hundley informed the Council that Mr. White walked through the entire process with the Historical Society and they were pleased of the planned outcome. Jim Foy stated this plan ties in well with the plan from 2000 for the enhancements of the area. Consensus of the Council was to move forward with this project and bring forth any instruments for approval.

ITEM VII) REQUEST FOR CONSIDERATION OF PLACING ITEMS ON FUTURE AGENDAS

No one had items to be placed on future agendas.

ITEM VIII) ADJOURNMENT

Council adjourned at 7:52pm.

ATTEST



Edie Sims, City Secretary

APPROVED


Joseph E. Helmberger, P.E., Mayor

