

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
MARCH 26, 2013

The Farmersville City Council met in a regularly called session on March 26, 2013 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Joe Helmberger, Billy Long, Russell Chandler and Jim Foy. Members absent were Pansy Hundley and Michael Carr. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, Fire Chief Kim Morris, Librarian Trisha Dowell, Finance Director Daphne Hamlin 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. Pastor Will Hembree with Pathway Church offered the invocation with Mayor Helmberger leading the audience in the Pledge of Allegiance to the American Flag.

Mayor Helmberger offered the guests and visitors to speak on a non-agenda item with no one coming forward.

Item II – A) SECOND READING TO CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO ADOPT THE 2009 INTERNATIONAL FIRE CODE

Mayor Helmberger stated the first reading of this ordinance was approved on March 12th. Jim Foy stated the previous discussion related to achieving the ISO Level 2 and Mr. Foy further motioned to approve the second reading of the ordinance as presented. Russell Chandler seconded the motion. A poll of the Council was taken as follows: Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item III – A) CONSIDER, DISCUSS AND ACT UPON A PRESENTATION FROM MCCORD ENGINEERING REGARDING THE ELECTRICAL SYSTEM

Rex Woods, representative for McCord Engineering, came before the Council to relay their findings of our municipally owned electrical system. Cap Rock Electric began operating our electrical system March 1999 and prior to that time frame, the City was providing their own electricity. Cap Rock's contract with the City provided an annual fee to the City of \$550,000. In 2010, Sharyland Utilities acquired Cap Rock Electric and a contract signed in 2012 with Sharyland provided an annual fee to the City of \$830,000. The annual revenue generated by the electric utility at the current rate is approximately \$2,510,000. The current value of the electric distribution system is \$1,600,000; however, if the City were to sell the system it would be assuming a known buyer exists. McCord Engineering recommends the City to not only own the electric utility but to operate the system as well.

While performing the system inventory, the wiring was found to be in good shape with not a lot of voltage dropping. Therefore there will not be a need to upsize the wiring. There are a few places where copper wiring still exists which would be recommended to have replaced. If the City budgets \$150,000 per year, the copper wiring could be replaced over the next 4 years. The system has been inventoried and

data has been mapped using a Global Positioning System (GPS). Overall the electrical distribution system is in good shape. McCord Engineering recommended an annual budget be assigned to upgrade aging facilities after the initial 4 years of copper wire replacement.

Mr. Woods reviewed typical labor costs for electric utility maintenance. Mayor Helmberger questioned what amount of our fund balance should be dedicated for storm support. Daphne Hamlin indicated that currently the water and sewer requires 25% of our fund balance. It may be very similar for the electric system. Mayor Helmberger also questioned if we have the software capable of billing the electric service with City Manager Ben White responding that all aspects are in place. Mr. White also informed the Council that with the City installing an Automated Reading System for the water and sewer, the same type of system can be compatible for our electric system as well.

Mr. Woods then turned the conversation to estimated start-up costs for the City to operate the electrical system. Just equipment and basic start up costs would extend to \$450,000 and with added personnel of \$300,000; the basic start up cost would be \$750,000. Mayor Helmberger also placed concern of a major power user needing a transformer, how would that cost be covered. The developer would pay the cost through the rate case, but as Mr. White indicated, the current calculator does not allow a developer to pay all the costs. Mayor Helmberger stated the City should treat the electric system equally as other utilities. With added employees from new businesses and ad valorem taxes, the City does not want existing customers to be burdened with any new development expense. Mr. Woods stated he will work with the City Manager for a proposal to review ordinances and ensure that underground installation is a standardized requirement. Mr. White also indicated he would like a system map which includes the service CCN (Certificate of Convenience and Necessity) boundaries.

Jim Foy expressed concern regarding the current contract with Sharyland. He feels the need for a solid escape clause allowing the City to release Sharyland if we chose to take over the electrical system. The contract is not crystal clear. We need to be prepared if Sharyland deregulates in May 2014. Council gave consensus to proceed regarding the clarity of the contract.

During the conclusion of Rex Woods' presentation, the expected annual revenue of \$2,500,000 will more than cover expenses for the City to operate the electrical system. Energy costs will need to be researched. Mr. White indicated that two power sources have already shown an interest in providing power. Also, Mr. White expressed appreciation to the Farmersville Economic Development Corporation for their funding of the electric study.

Item III – B) RECEIVE PRESENTATION FROM THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS

Gordon Wright, representative for the LDS Church, expressed excitement of having a newly built church coming to Farmersville. The LDS Church congregation has been meeting at the Sugar Hill strip mall on Highway 380. The presentation was to introduce the Council and the audience who the Church of Jesus Christ of Latter Day Saints are and how they wish to interface with the community. Mr. Wright prefaced the

presentation that the LDS church has been called Mormons and they have a strong belief in family and community. They believe in Jesus Christ as the Son of God and they worship God through Jesus. With the Mormon Church being formally organized in 1830, the LDS Church has increased by a congregation of millions throughout the world. Mr. Wright concluded his presentation stating that the Church would like to participate with the City by providing volunteers for City projects and other avenues which would help support the City.

Item III – C) CONSIDER, DISCUSS AND ACT UPON A PRESENTATION FROM DANIEL & BROWN, INC. REGARDING THE WASTEWATER SYSTEM

Eddy Daniel, City Engineer and representative for Daniel & Brown, Inc., came before the Council continuing an ongoing discussion from a few months ago regarding a discharge permit at Lakehaven MUD property and the needs of improving the wastewater treatment capacity. Previously, Mr. Daniel presented a proposal regarding a package plant to eliminate some of our existing wastewater capacity. With the City knowing of inflow and infiltration problems, and Texas Commission on Environmental Quality (TCEQ) also being aware of these issues, diligent efforts are being sought to keep the City of Farmersville from falling under TCEQ's enforcement.

With the Lakehaven Development becoming more realistic, a location has been sited and a discharge permit has been approved. Presently Collin County Commissioner's Court has approved the Lakehaven MUD agreement.

Per Mr. Daniel, he is expecting TCEQ to come during 2014 for an annual inspection. We will have a clear plan to present which will have essentially bought us another year of time with TCEQ. The City of Farmersville should expect an annual inspection from thereon.

Mayor Helmberger addressed the issue by stating that even if Lakehaven MUD is not ready for construction of the MUD, the City can move forward with the sewer plant once the existing agreement with Lakehaven MUD is finalized. The wastewater permit will transfer to the City with NTMWD being named as operator.

Jim Foy questioned the timeframe of building a sewer plant at the Lakehaven MUD location. With the permit taking the longest, the only prohibitor would be funding. If funding were made available, a plant could be completed in 1-1/2 to 2 years. The City is presently meeting the Sanitary Sewer Initiative (SSO) plan. Mr. Daniel also indicated that he does not recommend the City spending any funds on the existing plant; however if the Collin College comes in quickly, this option will need to be discussed. Mayor Helmberger stated the reason our area has not developed is due to the lack of sewer capacity. Mr. Daniel stated he understands there are several developers waiting for the Regional Wastewater Treatment Facility to be operational.

Eddy Daniel also informed the Council that some of the liftstations currently existing could be eliminated with the flow at the Lakehaven MUD location being downhill which is a major plus for the City. At some point, a hydraulic analysis will need to be achieved for the new interceptor pipes. Mayor Helmberger stated the Farmersville Economic Development Corporation has expressed willingness to pay for these types of

studies. A hydraulic model is already in place. Mayor Helmberger also encouraged the impact fees and planning to continue.

Item III – D) UPDATE REGARDING THE FISCAL YEAR 2011 – 2012 ANNUAL AUDIT REPORT FROM RUTHERFORD, TAYLOR AND COMPANY

Robert Lake, representative for Rutherford, Taylor and Company, came before the Council prepared to answer questions regarding the 2011-2012 Financial Audit. Mr. Lake announced that cash reconciliations have improved and are now signed off by the City Manager on a monthly basis. Mr. Lake also informed the Council that City Manager Ben White has attended training. Policies have been established to give a good financial foundation and Mr. Lake stated he is very pleased overall of the progress the City has made within the past year. Mr. White indicated that he and Daphne Hamlin are working toward improving the line items to allow full visibility per project. The implementation of this high level of detail will be shared by most departments for specific projects. Council took no action on this item.

Item III – E) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION TO CONTINUE PARTICIPATION WITH THE ATMOS CITIES STEERING COMMITTEE FOR 2013 AND AUTHORIZING PAYMENT OF \$.05 PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION

City Secretary Edie Sims stated the presented Resolution is for the Atmos Cities Steering Committee for 2013. The recent Resolution and payment that was presented in January was for the 2012 dues. With no discussion from the Council, Jim Foy motioned to approve the Resolution and make payment as presented with Billy Long seconding the motion. A poll of the Council was taken as follows: Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item III – F) CONSIDER, DISCUSS AND ACT UPON PLACING NEW DRAPES IN THE COUNCIL CHAMBERS

City Manager Ben White introduced drapery and solar shade samples to the Council. The draperies can be pulled back and the solar shades will allow 5% of transmitted light, however you can still see outside through the solar shades. Mr. White indicated the need for ADA compliancy in the Council Chambers by next year. If the walls are painted or if the paneling is removed and sheet-rocked, we would like to have the drapes already considered. This would be a pre-cursor to the room being remodeled.

Staff recommended the lighter colored drapes and solar panels. If possible, it would be nice to have the solar panels motorized. This would be beneficial during power point presentations. The vertical blinds have needed attention for some time now and per Mr. White, the draperies will be in place for many years. After reviewing the bid proposal, Jim Foy motioned to approve the drapes and solar panels and include motorizing not to exceed \$12,000. Russell Chandler seconded the motion. A poll of the Council was taken as follows: Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item III – G) UPDATE REGARDING CITY EMAIL ADDRESSES

City Manager Ben White informed the Council that an opportunity has arose for continuity between the website address and the City's email addresses to have the same address. The City's current email addresses are designated by only one company that charges approximately \$100 annually to hold this particular domain address. For \$75, the City was able to pay for nine years to register our domain with GoDaddy. Not only a cost savings was involved, but also the freedom to utilize @farmersvilletx.com as our email address. The email changeover would take place around May. The Council consensus was to go forward with the email address change.

Item III – H) CONSIDER, DISCUSS AND ACT UPON POSSIBLE PROCUREMENT OF PUBLIC WORKS EQUIPMENT UTILIZING BOND FUNDS

City Manager Ben White stated that the City will be involved with a lot of bond projects over the next few years with 6 street projects included. To utilize cost savings, City employees will do all the saw cuts and break outs where concrete streets are being re-panelled. With overlay of asphalt, City employees will do the curb work and utility relocation. The City could contract the saw cutting and rent equipment; but weighing out the costs of rentals, it was found that the City could purchase a Bobcat which would be more beneficial in the long run. A vibrating plate would be helpful for proper compaction. Mr. White looked at renting the proper equipment which had a cost factor of \$46,000. The cost of newly purchased equipment with accessories included a Bobcat with accessories, concrete saw and a vibratory plate would be \$73,000. If purchased new and spread the cost over the life of the bond, 50% could be purchased by the City and 50% could be purchased through bond funds. The cost allocated through the bond program would be \$47,693.11 and \$25,305.61 would be spent using City funds. Mr. White stated this was a good expense of City and bond funds.

The first street project will be Sycamore which will have a panel replacement. The next major project will be Hamilton Street followed by Beech Street, Windom Street, Westgate and Central. Mayor Helmberger stated if expended 50% use toward the bond projects, the Bobcat could be used for other uses other than streets. This equipment could be used for Parks, Buildings and other uses as this is a multipurpose tool.

Jim Foy expressed concern expending bond funds for anything other than bond issued projects. Mr. Foy stated that bond funds should be spent on the projects presented to the public that they voted on. Mayor Helmberger and City Manager Ben White expressed that a cost savings of half could be seen by purchasing the equipment and having the City employees perform the work. The cost savings could be placed into other needed projects throughout the City. Billy Long stated he saw the purchase of the equipment as an asset and would help keep the construction costs down and not spend all the bond money to utilize other vendors for the same job. Consensus of the Council was to go forward with the purchase of the equipment utilizing bond funds.

ITEM III – I) UPDATE REGARDING THE NORTH TEXAS MUNICIPAL WATER DISTRICT RECENT MEETING

City Manager Ben White attended a meeting with North Texas Municipal Water District. The concern is still the drought conditions and with no seasonal rain, we could all be going into Stage 3 Drought Conditions. The lake levels are very low and NTMWD is watching the conditions closely. Farmersville's per capita is fairly low and our City is one of the best end users of water per capita. When the automatic metering systems are installed, the overall usage should drop.

ITEM III – J) CONSIDER, DISCUSS AND ACT UPON POSSIBLE DESIGN CHANGES TO RAMBLER'S PARK

City Manager Ben White stated a plan has been presented to the Farmersville Community Development Corporation for funding and the Parks and Recreation Board regarding the placement of restrooms at Rambler's Park. By doing so, the gazebo would need to be moved, but the overall plan would make the Park ADA compliant. The FCDC received a bid for \$80,000 for a restroom. They are hoping to receive lower bids in order to move forward. This project would be very beneficial to Farmersville. Consensus of the Council was to go forward with this project.

ITEM III – K) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION FOR KEEP FARMERSVILLE BEAUTIFUL PROGRAM

City Manager Ben White presented a Resolution to the Council regarding a new program for Keep Farmersville Beautiful Program. The Parks and Recreation Board is very excited to have this program implemented. Mayor Helmberger recommended the program go forward and implement an "Adopt-A-Spot" in Farmersville. The Parks and Recreation Board is developing information to give direction for this program and best to implement a beautification program. Jim Foy stated the City had this program some time ago, but it could have been dropped. Jim Foy stated he was pleased to have this program brought back and motioned to approve the Resolution to do so with Billy Long seconding the motion. A poll of the Council was taken as follows: Billy Long yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

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

No one requested items for future agendas.

ITEM V) ADJOURNMENT

Council adjourned at 8:33pm.

ATTEST


Edie Sims, City Secretary

APPROVED


Joseph E. Helmberger, P.E., Mayor

