

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
APRIL 23, 2013

The Farmersville City Council met in a regularly called session on April 23, 2013 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 and City Secretary Edie Sims. Russell Chandler arrived late at 6:31pm.

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. Billy Long 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.

Mayor Helmberger read a Proclamation naming the month of May 2013 as National Preservation Month in Farmersville.

Item II – A) FIRST AND ONLY READING TO CONSIDER, DISCUSS AND ACT UPON A BUDGET AMENDMENT ORDINANCE TO PURCHASE DRAPERIES IN THE COUNCIL CHAMBERS

City Manager Ben White brought attention to the blinds and draperies that have been installed in the Council Chambers. The budget amendment as presented does meet the Council's requirement of being under \$12,000. Billy Long motioned to approve the budget amendment as presented with Michael Carr seconding the motion.

A poll of the Council was taken as follows: Pansy Hundley no, Michael Carr yes, Billy Long yes and Jim Foy yes. Motion passed with Council vote 3 to 1. Russell Chandler had not arrived to vote regarding this discussion item.

Item III – A) CONSIDER, DISCUSS AND ACT UPON WATER SYSTEM STATUS AND POSSIBLE APPLICATION OF DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE STAGE 3

City Manager Ben White stated he has been in close contact with North Texas Municipal Water District (NTMWD) who is very concerned of the low lake levels. April this year has had the lowest levels of rainfall since 2006 during the drought. The Lake does receive some increases, but at a snail's pace. Last years' rain event for 3 months helped carry us into summer; however this year we have not had that type of rainfall thus far.

Presently, with no major rain events on the horizon, Stage 3 and 4 are imminent. NTMWD wants to institute Stage 3 by June 1st. If rain does not come, we can see Stage 4 shortly thereafter. Farmersville is taking action now which should help before we reach the summer months. Lake Texoma allows Lake Lavon a 20% water source; however Lake Texoma is not accessible to us for a water source due to the Zebra

Mussels. Lake Texoma is a huge watershed on the Red River whereas Lake Lavon is a smaller watershed which is more localized.

Mr. White indicated that unless water levels improve, Stage 3 will be implemented on June 1st and our Water Management Plan will go into effect. NTMWD will regulate the Stages whether to increase to Stage 4 or if water levels improve to reinstate Stage 2.

Item III – B) CONSIDER, DISCUSS AND ACT UPON WATER AND SEWER RATE STATUS

Mayor Helmberger opened the discussion to the public to allow dialogue between the Council and those who have comments/questions/concerns regarding the water and sewer rates.

Mary Smith, residing at 404 Murchison Street, came to discuss the increased sewer rates. Ms. Smith stated she moved to Farmersville understanding that the utility rates were reasonable; however over the past few months the rates have more than doubled. Ms. Smith stated in 2007 her City bill was \$36.22, but now her bill has increased to \$88.13. She is a single person living in a fairly newer home. With neighbors discussing the rates and comparing their bills, Ms. Smith stated she feels she is being over charged more than others and asked for a speedy resolution.

Ms. Smith also informed the Council that about 4 years ago, the City changed out her meter. She is not complaining of the water rate increases but the sewer charges which are ridiculous. Mayor Helmberger addressed Ms. Smith by stating that all meters are soon to be changed out and this will make a difference in the costs people pay as the meters will be accurate. Older meters will slow down and not read accurately the amount of water that flows through the meter. Mayor Helmberger informed Ms. Smith and the audience that Farmersville has very old infrastructure that has not been maintained over the years. With old clay tile pipes and an old waste water treatment plant, we must pay the cost to have these issues resolved.

A rate schedule was created from a rate study that was completed in 2011 which is based on water usage. City Manager Ben White stated the rate schedule is progressive to those who use more water and thereby will pay more on their bill. Mr. White restated the Mayor's comments of an old system and included that the City is not breaking even. We are using funds from the General Fund to keep the sewer system operational. With the rate increase schedule put in place, the system might break even this year. With the water being impact driven, Mr. White indicated that he sees a trend of people using less water which will also affect a shortfall in the water fund. With Stage 3 being implemented, the impact may be more acute. There is great concern of losing \$100,000 in the water utility fund. The system is barely keeping up with expenses. People that have old water meters are not paying the full amount used, but this will be improved by replacing all the meters and all will be on the equal footing. With the new meters, Mayor Helmberger stated leak detection capabilities are available which can identify an issue to inform the property owner.

The rate study spelled out the need to rectify funds to break even to operate both the water and sewer systems. Mary Smith stated she would like a resolution to the

charges and felt the City should have informed the public before increasing the rates. Mayor Helmberger stated public hearings were published during the rate study in the local newspaper and was posted on the City's website.

Russell Chandler arrived at 6:31pm.

Wanda Hudson, residing at 204 Murchison, requested the notice of increases be placed on the water bill itself since all will receive the water bill. Ms. Hudson stated she too is concerned of the rate increases and how people will pay the higher rates.

Jim Foy stated in the late 1990's, the method of calculating sewer charges was changed so that an average was taken during December, January and February. This was a fairer method of charging for sewer as irrigation was not a factor during those months.

Mayor Helmberger also stated that any increases from NTMWD are passed through to the customers. Part of the last pass through was to pay for a \$3,000,000 pipeline from Lake Texoma to Wylie. That rate was \$.21 per \$1,000 gallons.

By improving our sewer system, that increases our costs per Jim Foy. Infiltration has gone down, however we still have a long range of problems to resolve. We are currently at capacity and have been on the verge of being fined by the State when we are over capacity during large rain events with fines being up to \$10,000 per day from Texas Commission on Environmental Quality (TCEQ).

Mayor Helmberger stated to the audience that citizens can call City Hall and request the City Crew to check the meters. Mayor Helmberger stated he does not want anyone to pay more than what is being used; however the charges are based on usage. When new meters are installed, many will see their bills increase since the meters will be accurate.

Kathy Campbell, residing at 310 N. Rike, came before the Council stating her sewer bill has remained the same for a year and has increased tremendously and then lowered after the averaging time period. Questions were asked if leaks occurred during the averaging months or if all water using appliances have been checked for leaks. With no leaks and all appliances functioning properly, Mr. White indicated it is hard to tell if the averaging or the rate increases caused the spike in cost.

Wanda Hudson asked if a flat rate could be charged to all citizens where financing would come out ahead with the response being all users have different needs. Ms. Hudson also stated the rates will discourage landscaping and it will have a negative effect on Farmersville as being a beautiful town.

City Manager Ben White stated he will help by informing the citizens of the upcoming averaging timeframe and explain the bill. An article in the Farmersville Times can also be made regarding the averaging timeframe and when rates will be increased. A notice will be placed on the water bill of any increases in the future.

Mayor Helmberger also informed the audience that the City of Farmersville sells water to Copeville and North Farmersville Water which helps pick up some of the costs from NTMWD.

Mayor Helmberger stated he is aware of those on fixed incomes; however we also have a system in very poor condition that needs costly improvements. Also City staff constantly is in search of grant funds to assist with the improvements and a Bond was approved by the citizens last year to also assist with funding for the improvements needed.

Mayor Helmberger announced that the Council is a very conservative group along with the City Manager and staff. All efforts are afforded to take care of every dime. Mayor Helmberger apologized for the burden but we cannot continue ignoring the poor condition of the systems and must be proactive.

Item III – C) CONSIDER AND ACCEPT THE RESIGNATION OF BILL HARRISON FROM THE FARMERSVILLE HOUSING AUTHORITY BOARD

Council received a letter from Bill Harrison requesting to resign from the Farmersville Housing Authority Board as it conflicts with the meetings for the North Texas Municipal Water District. Billy Long motioned to accept Mr. Harrison's resignation 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.

An added note, Mr. Harrison's position will be filled on May 21st when all Boards and Commissions will be appointed.

Item III – D) CONSIDER, DISCUSS AND ACT UPON AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF FARMERSVILLE AND THE FARMERSVILLE PEE WEE FOOTBALL/CHEER ASSOCIATION

City Manager Ben White stated a few changes were made to the agreements which all parties have agreed to. One of the major changes was having the Pee Wee Football/Cheer Association to allow their financials to be reviewed once a year by the City. The Association will have first use of the fields and other users will follow after the Association. The Association now has a page on the City's website for contact information. Appendix A of the Agreement has set user fees that have been agreed upon by the Association and the City. Staff recommends the agreement as presented which would allow both entities to work effectively. Russell Chandler motioned to approve the Agreement 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 III – E) CONSIDER, DISCUSS AND ACT UPON AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF FARMERSVILLE AND THE FARMERSVILLE LITTLE LEAGUE BASEBALL ASSOCIATION

City Manager Ben White indicated the Farmersville Little League Baseball Association Agreement is the same type of agreement as the Football/Cheer Association's. Billy Long motioned to approve the agreement 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 III – F) UPDATE ON THE ELECTRICAL SYSTEM

City Manager Ben White informed the Council that additional work from McCord Engineering would be beneficial which include: 1) investigate the insurability of Farmersville's electric system; 2) investigate preliminary costs of power for the Farmersville electric system; 3) create a rate ordinance or update the existing one; 4) research the substation equipment and design to determine its ultimate load capabilities; 5) submit McCord Engineering's position regarding Sharyland's ownership of the substation equipment where Texas New Mexico owns the substation land; 6) set up through ordinance the standards for underground electric utilities, especially new developments; and 7) get latest CCN Map.

Mr. White stated his primary concern of the 7 items listed is #4, especially since Sharyland owns the equipment on the substation and Texas New Mexico Power owns the property. If Sharyland continues to move forward to be released from our contract, the City may want to pay for the equipment. The base transformer is near the end of its life. Items 4 & 5 are equally important with the College coming online. Mr. White suggested going to the Farmersville Economic Development Corporation for funding the investigations as presented. Mayor Helmberger asked if all items could be requested for funding. The FEDC has been very helpful for funding the studies to help move the City of Farmersville forward and their involvement is greatly appreciated.

Jim Foy expressed cost concerns; however he also added that TPPA could be another source for information. TPPA may also have ordinances that could be modified to our needs. The ordinance for underground standards should be the same throughout the industry. Mayor Helmberger stated he wanted to ensure that an ordinance enforces a developer to pay for the installation of underground utilities per each individual lot. Council took no action as this was an informational item only.

Item III – G) UPDATE ON THE MAIN STREET BRIDGE, CLOSURES AND HIGHWAY 380 IMPROVEMENTS

City Manager Ben White reviewed the project status of Highway 380. The 1st Railroad Bridge passing track is scheduled to be completed September 2013. The 2nd Railroad Bridge passing track is scheduled to be completed June 2014. Highway 380 East bound is scheduled for completion April 2014. Highway 380 West bound is scheduled for completion August 2014. The Main Street Bridge is scheduled for construction from July 2013 through September 2013. The Main Street roadway is scheduled for completion November 2013. Hill Street and Walnut Street crossings are scheduled for completion September 2014. Main Street and Summit Street crossings are scheduled for completion August 2014.

TxDOT also has a new Project Manager. Brandon Sparkman will be missed and his efforts in Farmersville are greatly appreciated.

ITEM IV) EXECUTIVE SESSION

Council went into Executive Session at 7:08pm to discuss the following:

- A) DISCUSSION OF MATTERS PERMITTED BY THE FOLLOWING SECTIONS OF TEXAS GOVERNMENT CODE 551.072: DISCUSSION OF

- PURCHASE OF REAL PROPERTY LOCATED ON MCKINNEY STREET,
LOT 13 (A) OF THE FARMERSVILLE ORIGINAL DONATION
- B) DISCUSSION OF MATTERS PERMITTED BY THE FOLLOWING
SECTIONS OF TEXAS GOVERNMENT CODE 551.072: DISCUSSION OF
REAL PROPERTY LOCATED AT 703 MERIT STREET
- C) DISCUSSION OF MATTERS PERMITTED BY THE FOLLOWING
SECTIONS OF TEXAS GOVERNMENT CODE 551.086: DISCUSSION OF
PUBLIC UTILITY MATTERS PERTAINING TO THE ELECTRICAL SYSTEM

ITEM V) RECONVENE FROM EXECUTIVE SESSION

Council reconvened from Executive Session at 7:34pm

**ITEM VI) DISCUSS/CONSIDER/ACT ON MATTERS DISCUSSED IN EXECUTIVE
SESSION PERMITTED BY SECTION**

No action taken by Council on matters discussed in Executive Session.

REQUEST FOR CONSIDERATION OF PLACING ITEMS ON FUTURE AGENDAS

Jim Foy requested a report on hazardous materials, what types and quantities
are store in Farmersville and planning for response to calls regarding same. Also to
include in the discussion item is to be training for hazardous materials.

No one else requested items for future agendas.

ITEM V) ADJOURNMENT

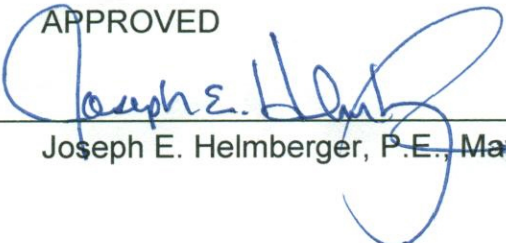
Council adjourned at 7:35pm.

ATTEST



Edie Sims, City Secretary

APPROVED



Joseph E. Helmberger, P.E., Mayor

