

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
September 24, 2013

The Farmersville City Council met in regular session on September 24, 2013 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Helmberger, John Klostermann, Michael Hesse, Russell Chandler and Jim Foy. Absent was Michael Carr. Staff members present were City Manager Ben White, Police Chief Mike Sullivan, City Attorney Alan Lathrom, 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. Matt Stuffle with Trinity Baptist 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 any non-agenda item with Bonnie Smith, representative of the Farmersville Quilters Guild, requested respect from the City as they are a vital part of the City by providing quilts to the Fire Department, Police Department and Veterans during Audie Murphy Day. Ms. Smith stated they have been denied storage space at the Civic Center and use/storage at the Best Center as well.

Item II – A) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGULATING GAME ROOMS AND AMUSEMENT REDEMPTION MACHINES

Mayor Helmberger opened the topic of discussion by having the term of Amusement Redemption Machine explained. City Attorney Alan Lathrom indicated the term is used to distinguish 8-liners and other types of gaming machines from coin operated machines such as found in Chuck-E-Cheese's.

Mayor Helmberger requested the statement "along U.S. Highway 380 and State Highway 78 given the size of the community" be removed from the first 'Whereas' since an ordinance has been in place to allow game rooms be located only in Light Industrial zoning of the City.

Another area Mayor Helmberger asked to be removed is the 2nd and 3rd 'Whereas' since the Light Industrial zoning eliminates the need for the second 'Whereas' and the recent approval of the Specific Use Permit ordinance eliminates the need for the 3rd 'Whereas.'

In the 5th 'Whereas,' the statement should stop after Amusement redemption Machine Game Rooms and remove the remainder of the sentence as it continues to duplicate what has been accomplished with the Light Industrial zoning requirement.

Each machine will pay an Occupational Tax and a permit. If a business chooses to have an Amusement Redemption Machine, the business will still be obligated to pay the Occupational Tax but will not be required to have a license if only one machine is located within their business establishment. The State of Texas charges \$60 per machine and the City is allowed to charge 25% of the Occupational Tax which equals \$15 per machine. Mayor Helmberger stated the Occupational Tax on Amusement Redemption Machines is not meant to be a money generator and felt the charge of \$100 per machine was exorbitant. Mayor Helmberger suggested \$10 per machine. Jim Foy expressed that game rooms make money and \$100 per machine is peanuts compared to what they make. The \$100 per machine charge is not out of line. Russell Chandler stated he was thinking a range between \$25 - \$50 per machine. Michael Hesse and John Klostermann stated \$100 per machine does not bother them. Mayor Helmberger stated to

leave the charge at \$100 per machine and change Section 8-303 (D) to read "...shall be 50% of the original occupational tax paid."

Mayor Helmberger questioned why we are regulating the hours of business as the game rooms are private businesses. Mayor Helmberger queried Police Chief Mike Sullivan regarding regulating the game room hours of operation. Chief Sullivan stated he prefers the restrictions as manpower to patrol and deal with incidents can be an issue. Mayor Helmberger agreed to leave the regulation of hours with an exception to change Sundays and holidays to be the same time as Fridays and Saturdays.

With specific requirements being necessary for site plans and landscape plans, Mayor Helmberger did not feel these types of plans are relevant to a game room, particularly since they are typically occupying existing buildings. With this statement, Mayor Helmberger requested Section 8-307 (16) have the site and landscape plans removed as well as "and sealed by a professional engineer or professional architect licensed by the state..." Jim Foy added that if the owner/applicant makes a false statement, the license by the City can be pulled. A discussion continued regarding habitual criminal activity that may be allowed. Chief Sullivan stated that the owner may not be involved with criminal activity and therefore may not be responsible; however it must be proven the owner allowed criminal activity. City Attorney Alan Lathrom indicated language will be added for the second reading of the ordinance regarding this topic. It will be better for the City to progress from suspension to revocation.

Section 8-310 was a concern for Mayor Helmberger regarding the use of the municipal court to appeal the City's decision. City Attorney Alan Lathrom indicated this was a buffering mechanism but will add further language to clarify the appeals process.

Under Section 8-313 Inspections, the presented ordinance refers to the Fire Marshal and the City of Farmersville presently does not have a Fire Marshal on staff. City Manager Ben White indicated the Fire Marshal will be a topic at the next Council meeting where this issue may be addressed.

Section 8-315 Parking Facilities brought an interesting topic to light with bicycles. City Attorney Alan Lathrom stated this portion of the ordinance was utilized from the City of Austin. Mayor Helmberger requested "and bicycles" be removed from this section as well as Section 8-316 which pertains solely to bicycle storage racks.

Jim Foy also questioned whether fees should be specified solely in the Master Fee Schedule and not in the text of the ordinance. Mr. Lathrom indicated this was a correct method and will be changed for the second reading of the ordinance.

John Klostermann motioned to approve the ordinance on first reading with the changes as discussed. Jim Foy seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item II – B) FIRST READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE REGARDING ATMOS' 2013 ANNUAL RATE REVIEW MECHANISM

City Manager Ben White informed the Council his recommendation to approve the ordinance as presented as we are a part of a conglomerate who represents us and other cities. The increases are associated with operation costs. Russell Chandler motioned to approve the ordinance on first reading with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

Item II – C) CONSIDER, DISCUSS AND ACT UPON REVISIONS TO THE NOISE ORDINANCE PERTAINING TO CONSTRUCTION NOISE

Mayor Helmberger requested a change to the 4th 'Whereas' to read "...which may cause the concrete not to meet specifications set by the licensed engineer of the project." With this statement change, the noise ordinance should be covered. Jim Foy motioned to approve the first reading of the ordinance with the revision as stated. Russell Chandler seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – A) CONSIDER, DISCUSS AND ACT UPON A SITE PLAN FOR A DENTIST OFFICE TO BE LOCATED AT 1704 WEST AUDIE MURPHY PARKWAY

The Planning and Zoning Commission recommended approval of the site plan provided contingencies with the landscape and irrigation plans are met. Mayor Helmberger stated our current standard specifications for concrete thickness requires 6" depth whereas the plans call for 5". These issues will need to be addressed prior to the issuance of the building permit. Mayor Helmberger stated he would like to have the specifications discussed at a later meeting, but this was the only issue he found outside the stated revisions as discussed by the Planning and Zoning Commission. Fray Webster, builder for the project, came before the Council and thanked the staff and Council for working diligently to have this project move forward. Michael Hesse motioned to approve the site plan based on the contingencies stated with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – B) RECEIVE, DISCUSS AND ACT UPON A PRESENTATION FROM FIRST SOUTHWEST REGARDING FUNDING FOR THE ELECTRIC UTILITY

David Medanich, representative of First Southwest, came before the Council to describe the different options of lending in order to fund needs of the electric utility. Mr. Medanich stated the best opportunity for the City is the "Anticipation Note (otherwise known as a Tax Note)." This type of note does not require voter authorization or notice of intent to sell. Anticipation Notes can be secured by and are payable from a pledge of revenues (including ad valorem taxes or utility system revenues). In our situation, the pledge will be from the utility system revenues. With the Anticipation Note, the City does not have to levy any taxes. Jim Foy requested we use the term Anticipation Note so the voters are clear that the City is not using tax dollars for this expenditure. Mr. Medanich stated the clarity is understood, however buyers of the note will also want to know that tax dollars can support the repayment of the loan.

City Manager Ben White recommended a 5 year note. Jim Foy questioned where the note would be sold, if through local banks or other limited areas. Mr. Medanich stated he will gladly send information to offer the sale to our local banks; however there will be a limited offering for buyers as this will be a competitive sale.

Council concurred to move forward with an Anticipation Note.

ITEM III – C) UPDATE ON THE ELECTRICAL SYSTEM AND RELATED ITEMS REGARDING THE TRANSITION FROM SHARYLAND UTILITIES TO THE CITY OF FARMERSVILLE

City Manager Ben White stated he understands from Council to move forward with an Anticipation Note to finance the electrical utility needs. With that, Mr. White stated he will attain all the costs comparisons between Versalift and Altec.

The proposals for energy contracts are in and the results look good. They are in line with the budget for energy contracts. The Mayor, City Manager and Councilman Foy will meet with Steve Moffitt on October 14th to review the energy contracts.

City Manager Ben White also indicated the "Farmersville Electric Transition Plan" which shows the timelines to have the Farmersville Electric service online.

ITEM III – D) CONSIDER, DISCUSS AND ACT UPON NAMING THE MUNICIPALLY OWNED ELECTRIC SYSTEM

Mayor Helmberger requested the Council to propose naming the municipally-owned electric system. With no suggestions coming forward, Mayor Helmberger stated he searched for several names and reviewed the acronym to see if the name fit our City and utility. "Farmersville Electric" was the name originally suggested by staff. Jim Foy motioned to name our electric system "Farmersville Electric" with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes, Russell Chandler yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – E) CONSIDER, DISCUSS AND ACT UPON THE CITY FINANCIAL REPORTS

City Finance Director Daphne Hamlin reported the budget is on target. The water funds are on track. Jim Foy questioned \$8,000 was not spent from the Street Department. Ms. Hamlin stated this was due to equipment sold and earmarked for Public Works Building improvements. The funds will be carried over until the project is completed.

Ms. Hamlin informed the Council that the revised budget will have the finances reflected accurately when reported in October. Jim Foy also questioned if the City will exceed the budget for the water/wastewater supplies since we are a "Take and Pay" customer of North Texas Municipal Water District. Ms. Hamlin stated we will hit the budget exactly. Mr. Foy also questioned the Electric Fund since we are a quarter behind from the payment from Sharyland. Ms. Hamlin assured the Council the payment will be retroactively applied when received in November.

City Manager Ben White indicated the budget is down from what was originally expected to be \$100,000 over budget. With a good job by staff, the budget will be over \$30,000. Mayor Helmberger stated some of the decrease was attributed to the bond funds.

Russell Chandler motioned to approve the City's Financial Reports as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – F) CONSIDER, DISCUSS AND ACT UPON NOMINATING A CANDIDATE TO SERVE ON THE CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY BOARD OF DIRECTORS

Council concurred to not take action on this item.

ITEM III – G) CONSIDER, DISCUSS AND ACT UPON AN IT CONTRACT WITH TLC NETCON, INC.

City Manager Ben White informed the Council the presented contract is the same as last year's contract with exception of the rates. The rates reflect a 5% increase over last year. Jim Foy stated the numbers are in line and is standard throughout the industry. Jim Foy motioned to approve the contract with TLC NetCon, Inc. with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM III – H) UPDATE ON MAIN STREET BRIDGE, CLOSURES AND HIGHWAY 380 IMPROVEMENTS

City Manager Ben White indicated Mayor Helmberger and himself met with TxDOT and Ed Bell Construction regarding the Highway 380 project. TxDOT has agreed to leave the south and north jughandles open for Old Time Saturday until October 6th. On October 6th, only the north jughandle will be taken out of service. TxDOT has plans of shutting down Highway 380 at night on October 1st and 2nd to install railroad beams. Detour paths will be made available to include Hamilton Street back to Main Street and Highway 380 traffic to Farmersville Parkway. City Manager Ben White stated there may be confusion for travelers who do not know the route from Raymond Street to Highway 78 to connect back to Farmersville Parkway. Discussion was held regarding low hanging utility lines on Hamilton Street (which will be checked out prior to the Highway closure) may make a difference how the detours should be directed.

The railroad will also be installing signals, so Summit and Main Streets will be closed except to area residents. August 2014 is the new date of completion for the project. The City requested the center median be removed from the bridge and that it be striped instead with TxDOT agreeing.

The City expressed to TxDOT a concern of additional stop signs and crosswalks which will affect the north and south bound traffic on Main Street. The City has requested the stop signs be removed from the plans and the east/west crosswalks also be removed. TxDOT agreed to look into the removal but must get consent from the Traffic Operations Division. TxDOT will also be checking to ensure if accessibility rules apply to the two stops on Main Street as they were not required in the past.

ITEM IV) EXECUTIVE SESSION: SECTION 551.071, CONSULTATION WITH CITY ATTORNEY, AND SECTION 551.072, And DELIBERATION REGARDING REAL PROPERTY

Council went into Executive Session at 7:16:36pm.

Council reconvened into Regular Session at 8:06:19pm with no action from the Executive Session.

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

John Klostermann requested a review of the Thoroughfare Map at the next meeting. No one else requested items for future agendas.

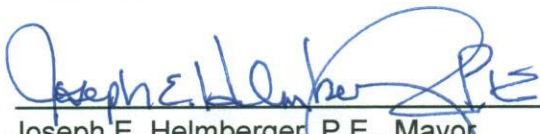
ITEM VII) ADJOURNMENT

Council adjourned at 8:07:09pm.

ATTEST


Edie Sims, City Secretary

APPROVED


Joseph E. Helmberger P.E., Mayor

