

FARMERSVILLE CITY COUNCIL
MEETING MINUTES
March 11, 2014

The Farmersville City Council met in regular session on March 11, 2014 at 6:00pm in the Council Chambers at City Hall with the following members present: Mayor Helmberger, John Klostermann, Michael Carr, Michael Hesse and Jim Foy. Absent was Russell Chandler. Staff members present were City Manager Ben White, City Attorney Alan Lathrom, Police Chief Mike Sullivan, Fire Chief Kim Morris, Court Clerk Christi Dowdy, Warrant Officer Rick Ranspot, Librarian Trisha Dowell 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. Benny Mondy of the Galloway Memorial Church of God in Christ offered the invocation with Mayor Helmberger leading the audience in the Pledge of Allegiance to the American Flag and the Texas Flag.

Benny Mondy stated the Church is still waiting patiently to have their street asphalted and asked if the pot holes would be repaired as the rock road needs grading.

Stefanie Hurst requested the Council grant a waiver to allow Advanced Fixtures, Inc. to pursue their contract for refuse services separate from the City of Farmersville's exclusive contract.

Mayor Helmberger read a proclamation proclaiming the month of March 2014 as "March for Meals on Wheels." Mayor Helmberger read a proclamation proclaiming March 16 – 22, 2014 as Poison Prevention Week.

Item II) CONSENT AGENDA

Mayor Helmberger asked the Council if any items were needed to be pulled for discussion. With no items being pulled by Council, Mayor Helmberger requested to pull Items B, F, H, I and K. Items remaining A, C, D, E, G and J were motioned to be approved by John Klostermann and seconded by Michael Carr. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item B – City Financial Report. Mayor Helmberger questioned the negative balance which has not been recovered from the reimbursement of grants. City Manager Ben White indicated we received \$154,000 from Collin County Open Space today. We are diligently working with Texas Parks and Wildlife for another \$150,000 from Phase 1 of the Chaparral Trail grant.

Mayor Helmberger noted that sales tax revenues are way up. Mayor Helmberger questioned the expense line item for the chipping of brush if it is listed under refuse. The chipping is listed under streets and is still under \$10,000.

Overall the financials did not make any significant changes and the report presented is through January 2013. Jim Foy motioned to approve Item B – City Financial Reports with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item F – Fire Department Report. Mayor Helmberger questioned the information presented in the Fire Department Report regarding acreage to be donated by the City of Princeton for a new burn training field to replace the one now under demolition at Collin College in McKinney. Fire Chief Kim Morris stated he is hopeful Collin College will build a training

facility; but in the meantime if Princeton builds one on the stated 25 acres, the site will be ideal for training purposes for those on the eastern side of Collin County. Frisco is trying to compete to have a training center built in their area. Jim Foy offered compliments for the training schedule and offering formal training as excellent. Jim Foy motioned to approve Item F – Fire Department Report with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item H – Warrant Officer Report. Mayor Helmberger questioned the Warrants Cleared on the Warrant Officer Report are not being duplicated on the Municipal Court's report. Court Clerk Christi Dowdy informed the Council the warrant information has been removed from the Court's reporting and will solely report on the Warrant Officer report. The report shows 112 people are on a payment plan for warrants; Mayor Helmberger questioned the money involved with payment plans. Ms. Dowdy stated warrants are difficult due to so many variables. For instance, a payment plan recipient may not make their scheduled planned payments and thereby the warrants are placed off hold and back on active status. City Manager Ben White displayed a chart showing the warrant collections are accelerating to the expected budget line. The chart indicates the monies the City keeps. Michael Carr motioned to approve Item H – Warrant Officer Report with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item I – Public Works Report. According to the Parks Board Meeting Minutes, Collin County Fire Marshal ordered the seating stands at the Spain Complex be taken out of service. Mayor Helmberger requested items such as these be included in the Public Works Report. City Manager Ben White indicated he will have a Safety Review Section in the Public Works Report from the Fire Marshal which will include all items from the Fire Marshal relating to Farmersville, not just fire related items. John Klostermann motioned to approve Item I – Public Works Report with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

Item K – City Manager's Report. City Manager Ben White indicated he will include the Collin County Fire Marshal's recommendations on future reports. Mr. White also indicated the City will not be financing the Warrant Officer vehicle as reported under Budget/Finance section of the City Manager's Report. Mr. White asked the Council to disregard the letter from the City Attorney regarding the purchase of the Warrant Officer vehicle. Michael Hesse motioned to approve Item K – City Manager's Report with Michael Carr seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse 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 – CONDUCT A PUBLIC HEARING ON DESIGNATING A CERTAIN AREA AS A REINVESTMENT ZONE FOR COMMERCIAL/INDUSTRIAL USES IN THE CITY OF FARMERSVILLE

Mayor Helmberger offered clarification regarding the Reinvestment Zone. The Farmersville TIRZ district overlaps the Reinvestment Zone. Tax abatements would draw some from the TIRZ along with the Reinvestment Zone which was instituted in 1996. Metes and

bounds of the Reinvestment Zone were read. Mayor Helmberger stated the Reinvestment Zones allows for tax abatements for certain types of investments.

At 6:29:45pm, Mayor Helmberger opened the Public Hearing and asked for anyone FOR the Reinvestment Zone designation to come forth. With no one coming forward, Mayor Helmberger asked for those OPPOSING the Reinvestment Zone designation to come forth. With no one coming forward, Mayor Helmberger closed the Public Hearing at 6:30:16pm.

ITEM V – A) ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE 2013-2014 FISCAL YEAR BUDGET FROM THE ENTERPRISE FUND REGARDING CAPITAL EQUIPMENT AND BUILDING IMPROVEMENTS

City Manager Ben White presented the budget amendment to the Council stating funding is required to purchase the vehicles for the Electric Department and complete the building improvements at the Public Maintenance Barn. The request is funded through the Anticipation Bond. Jim Foy motioned to approve the budget amendment as presented with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – B) ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE TO AMEND THE 2013-2014 FISCAL YEAR BUDGET FROM THE GENERAL FUND REGARDING CAPITAL EQUIPMENT

City Manager Ben White informed the Council the letter from City Attorney Alan Lathrom is no longer valid since the City will not be financing the Warrant Officer vehicle. Per Mr. White, there were complexities of attaining a loan, and the loan process did not have the desired outcome. The vehicle will be purchased outright via the budget amendment presented. The other vehicle presented in the budget amendment is for Public Works. The City Manager vehicle was passed to the Electric Foreman. This purchase will replace the City Manager's vehicle. All purchases will be made from the General Fund Reserves for this agenda item. Mr. White also informed the Council the City's bond rating has improved from an A to A+. Michael Hesse motioned to approve the budget amendment as presented with Michael Carr seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM V – C) ONLY READING – CONSIDER, DISCUSS AND ACT UPON AN ORDINANCE CANCELLING THE MAY 10, 2014 GENERAL ELECTION FOR THE CITY OF FARMERSVILLE

With no discussion, Jim Foy motioned to approve the ordinance presented cancelling the May 10, 2014 General Election with Michael Carr seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse 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 COMMERCIAL REFUSE CUSTOMERS

City Manager Ben White indicated the City will be removed from billing/scheduling of commercial rolloff customers and allow the customers to work directly with the provider. The rates are set by the City Council and will be a "not to exceed" amount allowing the providers to offer lower rates to customers. Franchise fees will not be included in the fees presented. All commercial rolloff customers will also be billed directly from the provider. John Klostermann motioned to approve the first reading of the ordinance as presented with Jim Foy seconding the

motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – A) SHARYLAND UTILITIES ANNUAL REVIEW

Greg Boggs, Vice President of Sharyland Utilities, came before the Council with Sharyland Utilities' annual report. During 2013, Sharyland had no new service requests within the City of Farmersville's system. Annual tree trimming outside the right-of-way was completed December 2013. During the ice storm in December, trees covered with ice bent over lines and caused lines to break away from connections leaving the City without power.

A power outage report was presented showing 37 outages. The three major causes on average over the last five years have been lightning, animals and trees coming into contact with the power lines.

Mr. Boggs reviewed the distribution system regarding additions and retirements. During 2013, 1,287 feet of line was installed overhead and 1,094 feet was retired from operation. Underground footage installed was 462 with no underground being retired for service and one transformer was changed out.

Jim Foy asked if a statewide drop had occurred for kWh. Mr. Boggs stated no, that due to the very cold winter, electric heat had increased kWh usage but not the cost.

Also Mr. Boggs was asked how we currently meet with the contract finances. With one full year of the contract being met, Mr. Boggs relayed we are still within the bandwidth and do not expect to exceed the contracted amount. Mayor Helmberger questioned when the accounting with Sharyland will balance out. Since April 15th is the final reading date and all data will be submitted to the City, Mr. Boggs expects the last check from Sharyland to be sometime around June 15th. Garland will read their meter simultaneously. This will allow a true up to be completed after 15 days. No action was taken by Council on this matter.

ITEM VI – B) APPROVE AN AGREEMENT BETWEEN THE SURETY AND CITY REGARDING THE 12" WATER LINE PROJECT

City Engineer Eddy Daniel came before the Council. The previous contractor declared he would not perform the Sycamore water line project under the contract. With the project not beginning, the Surety was used to rebid the project and the bonding company agreed to pay the differences of the earlier contract versus the new pricing from the new contract, approximately \$80,000. Also the bonding company will cover additional costs above and beyond the original contract and true-up at the end of the project.

The new contractor is bonding separately and individually from the bond company. If there are defects in the material already purchased, the bonding company will make good on the products. Under the circumstances, we are in good shape with the bonding company since the contractor had not started the project. Jim Foy motioned to approve the agreement as presented with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – C) CONSIDER, DISCUSS AND ACT UPON RESCINDING THE CONTRACT WITH BILLY CUMMINGS CONSTRUCTION, INC. REGARDING THE 12" WATER LINE PROJECT

City Attorney Alan Lathrom encouraged the Council to rescind the contract with Billy Cummings Construction, Inc. so that two contracts will not be on the books for the same project. With no further discussion, Michael Hesse motioned to rescind the contract with Billy Cummings Construction, Inc. and Michael Carr seconding the motion. A poll of the Council was taken as

follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – D) CONSIDER, DISCUSS AND ACT UPON A NOTICE OF AWARD TO CAPPS-CAPCO FOR THE 12" WATER LINE PROJECT AS CONTRACTOR ON PROJECT

City Engineer Eddy Daniel reported the rebidding of the project with additional bidders was completed on February 11, 2014. Capps Capco Construction of Tyler, Texas was the lowest bidder with a total base bid of \$536,910. The award winner understands the situation from the previous contractor. They have inspected the materials purchased during the first bid pricing which saves the bonding company \$20,000. Mr. Daniel recommends the Council approve the contract at the base bid then have a change order removing the cost of pre-paid product from the contractor's price.

Mayor Helmberger questioned the alternate bid items, particularly sod and why it was not part of the base bid. Mr. Daniel stated he did not know how much, but sod was factored into the overall cost. In the pre-bid conference, the contractor was made known that sod would be required. Mr. Daniel also stated the alternate bid items can be worked easier by picking and choosing. The contractor is aware of the vegetation requirements. One cost that will be added will be the encasements under Sycamore as a bore will need to be performed. This will also be part of the unit pricing. John Klostermann motioned to approve the Notice of Award to Capps-Capco for the Sycamore Water Line Project with Jim Foy seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – E) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION DESIGNATING A REINVESTMENT ZONE FOR COMMERCIAL/INDUSTRIAL

Mayor Helmberger stated the Reinvestment Zone will be a bit of conflict with the TIRZ District. The tax abatement will take the first fruits and the remainder of funds will go to the TIRZ. Jim Foy expressed concern if an investor discontinued meeting the criteria for tax abatement that the tax abatement would not stop. We need to include a provision in the contract that if the criteria meeting the tax abatement requirements changes, the tax abatement could be rescinded and the term of the agreement would cease as the company failed to meet the required criteria.

Mayor Helmberger read the reinvestment zone metes and bounds; however a map of the zones was not included in the Council packet. Mayor Helmberger also questioned the process steps including the questionnaire to be included with the resolution.

Jim Foy motioned to table this item until April 8, 2014 to have included the provision and include all process steps with the documentation. John Klostermann seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – F) CONSIDER, DISCUSS AND ACT UPON AN AMENDMENT TO THE REFUSE CONTRACT REGARDING ROLL-OFF REFUSE CUSTOMERS

The contract amendment presented, if approved, will be implemented with no fees to/from the City according to City Manager Ben White. Customers will work directly with Progressive and negotiate their own rates. The City will be out of the roll-off and compactor business other than setting the maximum rates. Michael Carr motioned to approve the amendment as presented with John Klostermann seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – G) CONSIDER, DISCUSS AND ACT UPON AN AGREEMENT WITH WI-FIVE BROADCAST FOR WATER TOWER LEASE SPACE

Joe Birmingham, owner of Wi-Five Broadcast, came before the Council expressing his interest in partnering with the City to lease space on the water towers as a new tenant. Wi-Five Broadcast has approximately 5,000 customers and he competes with AT&T. Mr. Birmingham stated he is ready to sign the contract provided the City offers more information regarding competitor's frequencies used and the area available.

Mayor Helmberger requested the Council to discuss items G and H simultaneously as both pertain to the same contractual substructure. Exhibits A & B are an issue for both contracts. Exhibit A details the tower site name and includes Rhino Communications' name for the same towers. Another correction refers to Exhibit B as the payment schedule is not clear.

Security procedures are in place and have been recently implemented per City Manager Ben White. Each individual that needs access to enter the water tower(s) premises must come to City Hall to attain a key and sign in a log book, then upon completion of his task, return the key and sign out of the log book. This will allow the City to know who has been allowed admittance into the secured areas.

Council took no action on the agreement between the City and Wi-Five as more information is needed.

ITEM VI – H) CONSIDER, DISCUSS AND ACT UPON A LEASE AGREEMENT WITH AIRCANOPY INTERNET SERVICES/RHINO COMMUNICATIONS REGARDING CITY OF FARMERSVILLE WATER TOWER LEASE SPACE

Along with the discussion of Item VI – G, John Klostermann motioned to approve the agreement between the City and AirCanopy Internet Service/Rhino Communications upon corrections noted in the above discussion. Michael Carr seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – I) CONSIDER, DISCUSS AND ACT UPON A RESOLUTION SUPPORTING A GRANT APPLICATION FROM THE CRIMINAL JUSTICE DIVISION FOR IN-CAR CAMERAS

Police Chief Mike Sullivan informed the Council the presented resolution is to further a grant application to replace old equipment. The proposed in-car cameras will be connected directly to the Police Department's server and will allow wireless downloading. The cameras will also have the capability for constant recording. Jim Foy motioned to approve the Resolution as presented with Michael Hesse seconded the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – J) CONSIDER, DISCUSS AND ACT UPON CHANGES TO THE PERSONNEL MANUAL REGARDING ON-CALL PERSONNEL

City Manager Ben White requested the presented changes to the Personnel Manual be documented. Presently the City pays on-call personnel from the time they leave their home to the time the call is completed. With our newly hired Electric employees, a question was raised regarding on-call payment. Frisco and Anna have both implemented the on-call policy as presented to Council.

Michael Hesse questioned if all personnel use City-owned vehicles or just on-call personnel. City Manager Ben White informed the Council there are three City-owned vehicles that are allowed to be out, Mr. White's, the on-call Public Works and the on-call for Electric. If others are called in, the employees must come in their personal vehicles and get the City

vehicle from the Maintenance Barn for use. The on-call vehicle is rotated to be provided to the on-call personnel for the Electric the same as applies to the Water/Sewer on-call personnel. John Klostermann motioned to approve the changes to the Personnel Manual as presented with Michael Hesse seconding the motion. A poll of the Council was taken as follows: John Klostermann yes, Michael Carr yes, Michael Hesse yes and Jim Foy yes. Motion passed with full Council approval.

ITEM VI – K) UPDATE ON CLEANUP FROM DECEMBER'S ICE STORM

City Manager Ben White informed the Council of the brush pickup progress and presenting a map designating zoned areas of the City. Zones 1 and 2 display brush completely picked up. Main Street was the first area that brush was chipped after the onset of the ice storm. The chipper crew has been offered to work Mondays thru Saturdays from 8am to sundown. Mr. White anticipates Zone 3 to be completed this coming weekend. Understanding the need to have the brush removed, Jim Foy questioned if we need to add an additional crew. If so, a second chipper will need to be leased. If the City continues at the current time rate, it will be another 2 months before all brush is removed.

Mayor Helmberger informed the audience that the public does not understand at this point and Jim Foy agreed we need to pursue a timelier solution as it has already been 3 months since the ice storm. Mr. White will contact Progressive and have a quote to pick up the remaining brush. The original estimate at the time shortly after the ice storm was \$20,000. The City optioned to hire a crew and chip the brush to help save money. Unfortunately, the City's chipper has experienced several issues and made the process extend longer than expected.

Mayor Helmberger stated to attain another quote from Progressive and directed the City Manager not to exceed \$10,000 and have all the brush removed expeditiously. Council concurred with this request.

ITEM VI – L) UPDATE ON STREET GENERAL OBLIGATION BOND PROJECTS

City Manager Ben White informed the Council the contractor is working on Westgate with curb and guttering. There has been a slowdown of construction due to the cold winter weather. Mr. Foy expressed concern of the drainage issues along Westgate. Mr. White stated French-drains have been installed on the first 200' east of Highway 78 to help facilitate the drainage issues. If other drainage issues arise, Mr. White has instructed the contractor if curbs are pooling and not allowing drainage that other drainage measures need to be installed. Mr. White informed the Council the time has been extended 1 month out to allow warmer weather for the construction to continue.

ITEM VI – M) UPDATE ON WATER/WASTEWATER GENERAL OBLIGATION BOND PROJECTS

City Manager Ben White stated it has become difficult to get the North Elevated/North Sycamore Street project underway. With the contractor change-out, we anticipate having the contract ready at the next meeting and that we come under budget for this project. The original projected cost was \$464,607. Eddy Daniel, as City Engineer, has been reminded that we must move post-haste to have these projects bid out and ready for construction.

ITEM VI – N) UPDATE ON SAFE ROUTES TO SCHOOL PROJECT

City Manager Ben White stated portions of the Sycamore Street water line project are needing to be completed prior to the sidewalks being fully poured for the Safe Routes to School project along the Sycamore Street and Main Street area crossings. Presently the contractor is

on Pendleton Street and making good progress. Mr. White stated he repeats the need to place priority on the resident's yards to the contractor.

ITEM VI – O) UPDATE ON CHAPARRAL TRAIL PROJECTS

City Manager Ben White declared Phase 2 of the Chaparral Trail project is complete. The City has received funding today from Collin County Open Space Grant for this phase. The City is awaiting funds from Texas Parks and Wildlife for Phase 1 and we are pursuing those funds fervently. The drawing package for Phase 3 has come forward and Mr. White has asked Eddy Daniel's office to step up the pace to have this project ready for bid.

ITEM VI – P) UPDATE ON HIGHWAY 380 PROJECT

City Manager Ben White presented a project status sheet with dates directly from TxDOT's schedule regarding the Main Street Bridge and other items surrounding the Highway 380 project. A special meeting with TxDOT is scheduled for March 12th. The South Main Bridge is anticipated to be open in April. April of 2015 is scheduled to finish the eastbound lane of Highway 380. The Main Street Bridge has been out of service since February 5, 2013. Approaches are being poured now.

Kansas City Southern has still not approved design change to the trusses. More information will be provided at the meeting.

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

Mayor Helmberger requested an update on the dumpster removals. Stefanie Hurst requested the Council to discuss Advanced Fixtures, Inc. to be exempt from the contract with Progressive for refuse. No one else requested items for future agendas.

ITEM VIII) ADJOURNMENT

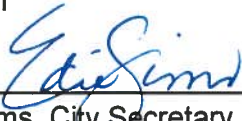
Council adjourned at 8:22pm.

APPROVED



Joseph E. Helmberger, P.E., Mayor

ATTEST



Edie Sims, City Secretary

