



**FARMERSVILLE CITY COUNCIL
REGULAR SESSION MINUTES**

**For
May 23, 2017, 6:00 P.M.**

I. PRELIMINARY MATTERS

- Mayor Piwko called the meeting to order at 6:00 p.m. Council members John Klostermann, Donny Mason, Michael Hesse, Mike Hurst and Leaca Caspari were all present. City staff members Ben White, Sandra Green, Mike Sullivan, Rick Ranspot, Daphne Hamlin, and City Attorney, Alan Lathrom, were also present.
- Prayer was led by the Rick Ranspot of the City of Farmersville, followed by the pledges to the United States flag and Texas flag.
- Calendar of upcoming holidays and meetings was included in agenda packet.
- Calendar for 2017 budget was included in agenda packet.
- Farmersville ISD Graduation will be May 25, 2017.
- The Building & Property Standards meeting scheduled for May 25, 2017 was cancelled due to FISSD Graduation.
- City offices will be closed on Monday, May 29th in observance of Memorial Day.
- A public hearing for the Comprehensive Plan update will be held at City Hall on June 1st at 6:00 pm. All citizens are encouraged to attend and participate.
- Proclamation declaring May as Brain Cancer Awareness Month was read by Mayor Piwko.

II. PUBLIC COMMENT

- Melissa Grabowski, who resides at 304 Summit Street, addressed Council and spoke regarding the Proclamation for Brain Cancer Awareness. She was the teacher of Liyah Craddock who died of DIPg, Diffuse Intrinsic Pontine Glioma, last year. She explained how sweet and loving Liyah

Craddock was. She indicated that Liyah's favorite place was the City splash pad and stated she was interested in a bench or something to be placed at the splash pad to become a memorial for her.

III. CONSENT AGENDA

- A. City Council Minutes
- B. City Financials
 - o Motion to approve reports made by Leaca Caspari
 - o 2nd to approve was John Klostermann
 - o All council members voted in favor
- C. City Manager's Verbal Report
 - Wastewater System Status
 - o We did not have to condemn the Midkiff property. The City is currently working with the Stephenson's at this point. They have asked if the City would stake out the location first so they could see where the easement would be located before they signed the documents. The loan documents are moving forward. There are two remaining right-of-entries that the City needs granted. One is with the Corp. of Engineers and the other is with James Murray. This is in order to complete archeology and surveys of the property. The environmental report is due the first part of July. The contracts are lined up to be presented to Council for approval and the loan closing is scheduled for the end of September.
 - Camden Park Status
 - o The MOU, Memorandum of Understanding, is being negotiated with Ted Zeta. Once we receive Ted Zeta's approval, the MOU will be presented to Council. Ted Zeta has asked the City to pay for half of the one mile force main. This would cost the City approximately \$68,000, which is more than what the City was planning on. The force main was never a part of the equation. In the money that is being put forth Ben White does not see any reason why the City should not go forward. Ted Zeta will be paying for the lift station and any upsizing will be paid for by the City. But, he is wanting to break ground now. Ben White stated he will be working with the TIRZ Board and 4A to try and obtain funding for the project. A lift station would need to be started mid to late summer to ensure homes could be built in December. He wants to go before the 4A Board for a loan and then the City would repay it when loan funds come in

from the Texas Water Development Board. If the loan does not come through, the only way to cover the costs would be to take the money from the wastewater fund.

- Mike Hurst asked if Ted Zeta was going to accept the MOU.
- Ben White indicated he did verbally, but Mr. Zeta was wanting to share the cost with the City. Once he has a reassurance the City will share the cost he believes he will sign it.
- Leaca Caspari asked if the money the City would receive for the loan would cover the \$68,000.
- Ben White indicated it would and if any money was left over the last priority would be a lift station on the south side of town.
- Splash Pad Upgrades
 - The City had a control box down in the ground and the electronic components would not be good year after year because of the water leaking on it. This year the City is going to mount the control box on a metal sheet above ground. The City has also installed a sail shade. There is a park bench missing at the splash pad and Ben White indicated he would like to replace it with a bench that has an inscription for Liyah Craddock who lost her struggle with cancer. The splash pad should be operational by Memorial Day weekend.
 - John Klostermann asked if the City still had plans to move the gazebo.
 - Ben White stated the City has been wanting to move it, but it is a low priority.
- Fishing Pier Progress
 - The City bought supplies and decided to stay with the same material that it currently has. Work will begin soon.

IV. READING OF ORDINANCES

A. Consider, discuss and act upon the 2nd reading of Ordinance #2017-0509-001 regarding leash laws.

- Mayor Piwko read the title block of the Ordinance:
AN ORDINANCE OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERSVILLE, TEXAS, AS HERETOFORE AMENDED, THROUGH THE AMENDMENT OF CHAPTER 11, "ANIMALS," BY THE AMENDMENT OF SECTION 11-45, ENTITLED "ANIMALS AT LARGE OR RUNNING AT LARGE," BY DELETING EXISTING

PARAGRAPH (b), "AT LARGE," IN ITS ENTIRETY AND REPLACING SAID PARAGRAPH WITH A NEW PARAGRAPH (b), ALSO ENTITLED "AT LARGE"; REPEALING ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR GOVERNMENTAL IMMUNITY; PROVIDING FOR INJUNCTIONS; PROVIDING FOR NOTICE AND IMPLEMENTATION; AND PROVIDING AN EFFECTIVE DATE.

This Ordinance shall take effect immediately from and after its passage and publication of the caption as required by law.

- Motion to approve 2nd reading made by Leaca Caspari
- 2nd to approve was Donny Mason
- All council members voted in favor

B. Consider, discuss and act upon Ordinance #2017-0523-001 regarding Atmos Energy rate changes.

- Mayor Piwko read the title block of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2017 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING RECONCILIATION AND RATE ADJUSTMENTS IF FEDERAL INCOME TAX RATES CHANGE; TERMINATING THE RRM PROCESS FOR 2018 PENDING RENEGOTIATION OF RRM TERMS AND CONDITIONS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

This Ordinance shall take effect immediately from and after its passage and publication of the caption as required by law.

- Ben White stated this Ordinance was a result of approximately 100

cities and how they were working together to create the rates. The packets provided at the meeting had Attachments A-C to reference. He stated a representative from Atmos was in attendance to answer any questions. Staff recommended approval.

- Motion to approve made by John Klostermann
- 2nd to approve was Leaca Caspari
- All council members voted in favor

- Alan Lathrom pointed out that the Ordinance only requires one reading.

C. Consider, discuss and act upon the 1st reading of Ordinance #2017-0523-002 regarding placing liens on unpaid utility bills.

- Mayor Piwko read the title block of the Ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING CHAPTER 74, "UTILITIES," THROUGH THE AMENDMENT OF ARTICLE II, "WATER, SEWER AND ELECTRICAL CHARGES," THROUGH THE AMENDMENT OF DIVISION 3, "SERVICE CHARGES," BY ADDING NEW SECTIONS 74-96 THROUGH 74-99 AUTHORIZING LIENS FOR CERTAIN DELINQUENT UTILITY BILLS, BY PROVIDING AN EXEMPTION FROM SUCH LIENS FOR HOMESTEAD AND RENTAL PROPERTY, AND BY PROVIDING FOR THE APPEAL OR RELEASE OF SUCH LIENS; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER CLAUSE; PROVIDING A PENALTY; PROVIDING FOR PUBLICATION; PROVIDING ENGROSSMENT AND ENROLLMENT; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

This Ordinance shall take effect immediately from and after its passage and publication of the caption as required by law.

- Ben White stated that Oak Grove Apartments left the City with a utility bill for \$13,237.19 and the City is trying to recoup the costs when things like this occur. He stated he had talked to the USDA and they have indicated they will be paying the outstanding balance and stated they have processed a check. The Ordinance is commercial in nature and it would not be applicable to homesteads. Ben White indicated he does not believe we need a lien on Oak Grove right now, but he wanted to have this Ordinance in effect so the City could. The property goes for sale on the County steps June 6th and a special Council meeting might need to be called if the USDA does not provide proof of payment being processed.

- Michael Hesse stated that rental properties are exempt according to the wording and wanted clarification.
- Alan Lathrom stated that liens can only be placed on a company not individual renters. In the case of Oak Grove the utilities were collected as part of the rent and then paid by Oak Grove. The meters were in Oak Grove's name, not the tenants.
- Donny Mason asked if the City would find out before the sale if the money is going to be paid.
- Ben White stated a special meeting would need to be called for a second reading to place a lien on the property before June 6th.
 - Motion to approve made by John Klostermann
 - 2nd to approve was Donny Mason
 - All council members voted in favor

V. **REGULAR AGENDA**

- A. Swear in newly elected Council members and presentation of award for departing Council members.
 - Sandra Green swore in Michael Hesse for Place 3, Craig Overstreet for Place 1, and Todd Rolan for Place 5.
 - New Council members took their places on the dais.
 - Mayor Piwko acknowledged outgoing Council members Leaca Caspari and John Klostermann with a plaque thanking them for their service.
- B. Possible motion to reconsider award of bank contract made on May 9, 2017.
 - Mayor Piwko stated that after the last Council meeting where the Council had chosen a bank for contract, it was not understood that the term was for five years instead of one. The Council was evaluating the savings of the contract as \$1,200.00 per year. Weighing that with the amount of time it would take staff to handle the conversion of accounts, Council was only looking at a one year time frame.
 - Mike Hurst stated it was not brought to Council's attention that it was a five year contract. It would reflect approximately \$6,000 in income over the five year period. He stated that it is hard to undo or do different things after a decision has been made. But, looking back at what has come to light we may need to reconsider the contract. The City has been doing business with First National Bank of Trenton for ten years and Independent Bank before that. In all fairness if the City chose Independent Bank he believes that they would be agreeable to transfer everything in an expedient manner. He assumed with all the new information the City might need to change the decision at this point in time. The only difference is the rate of interest. He also

inquired about how much time it would take and how many utility bills the City had that are done by bank draft.

- Daphne Hamlin stated some of the organizations that have bank drafts and she indicated it would take a couple of hours to complete.
- Mayor Piwko stated that getting signatory paperwork and other paperwork from Council was one of the most time consuming tasks.
- Alan Lathrom discussed the procedures that needed to occur in order to reconsider the item. He explained there needed to be a member that originally voted on the item to make a motion to have it reconsidered. Then, it needed to be seconded in order for the next item on the agenda to be considered.
- Michael Hesse stated he is all about saving the City money but the City has worked with First National Bank of Trenton for a while.
- Mayor Piwko stated it has been a smooth process with First National Bank of Trenton. She explained the \$6,000.00 a year is assuming we do not have any growth.
 - Motion to reconsider bank contract made by Donny Mason
 - 2nd to approve was Mike Hurst
 - All council members voted in favor

C. Consider, discuss and act on award of bank contract subject to approval of a motion to reconsider.

- Mayor Piwko stated the Council is deciding again on whether to select First National Bank of Trenton or Independent Bank to handle the City accounts.
- Mike Hurst stated the only issue he had to discuss was the interest rate and which was better.
- Ben White apologized that the Council did not receive all the information the first time and for there being misunderstandings. The interest rate for one year would cover all the work the City would have to do on their end to transfer banks, but the other four years would be extra revenue.
- Craig Overstreet asked Council to look at the selection criteria that was stated in the RFP. There were four services the City requested. Three were relatively the same and the only item that separated the two banks were the interest rates. He asked that Council consider the criteria as they make a decision.
 - Motion to stay with the First National Bank of Trenton made by Michael Hesse
 - 2nd to approve was Todd Rolen
 - Council members Todd Rolen, Donny Mason, and Michael Hesse voted in favor
 - Council members Mike Hurst and Craig Overstreet voted against

- D. Consider, discuss and act upon Reliant Energy contract.
- Mayor Piwko stated Ben White wanted this item pulled from the agenda because there are changes to the rates coming in a future contract.
- E. Consider, discuss and act upon resignation of Craig Overstreet and Chad Dillard from Planning & Zoning Commission.
- Motion to approve made by Mike Hurst
 - 2nd to approve was Donny Mason
 - All council members voted in favor
- F. Consider, discuss and act upon Kim Potter's resignation from FCDC (4B), Main Street Board, and Parks and Recreation Board.
- Motion to approve made by Donny Mason
 - 2nd to approve was Craig Overstreet
 - All council members voted in favor
- G. Consider, discuss and act regarding the renegotiation of the North Farmersville Water Contract minimums.
- Ben White indicated that Glenn McClain from North Farmersville Water District was in the audience. He discussed the graph presented in the agenda packet and that it showed what revenues would look like if the City took a 10% drop in the minimum.
 - Mike Hurst stated the growth in the water system at North Farmersville Water caused them to give up meters to Frognot. He wanted to know what would predict North Farmersville Water District's growth and if they were going to stop growth in that area. He also inquired whether the City was going to be faced with this same situation or request in two or three years.
 - Glenn McClain stated there are no developments that have requested a meter. Most of the land in the north is sectioned into large tracts of land and people are placing one house on those lots.
 - Mike Hurst asked Ben White about development in the north.
 - Ben White stated he had not heard of anything at this point.
 - Glenn McClain explained that after a developer met with DBI and found out the costs required to meet all the City of Farmersville's zoning requirements they changed their mind.
 - Mayor Piwko asked if the City could afford to take a loss out of the water fund annually. She said it would be nice to help Glenn McClain have the funds to upgrade his lines.
 - Ben White stated he does not like to see a decrease in revenue. He explained the City supplies certain capabilities to North Farmersville

Water District that only we can provide. The City has some cast iron lines that need to be replaced, but we do not have the funds. The degree of loss is not as big as he thought it would be after making calculations.

- Craig Overstreet explained this problem is one that all water districts are facing. Each district has to purchase a certain amount of water even if they do not use it. He explained that he did not know if the reduction in rates was the best approach in handling the situation. He believed it is a larger problem, and the relief is a bigger state wide problem.
- Mike Hurst asked if the North Texas Municipal Water District and the attorney's that filed the suit had made any decision on the water rates.
- Ben White indicated they have not. Right now there are lawsuits ongoing by other cities, but no outcomes have been announced yet.
- Donny Mason asked what amount Ben White would be comfortable with.
- Ben White stated he was not comfortable with any amount that lowers the City's revenue. He does not recommend lowering North Farmersville's water rates, but he knows that in a time of need he would like to help them. He explained if the City gave anything he might be okay with 10%.
- Mayor Piwko did indicate that North Farmersville had increased their water rates to help offset the costs. She also asked if the City would help them if they had a major water line break.
- Ben White indicated we would.
- Craig Overstreet does not think the item needs to be open ended because it sets a precedent.
- Ben White stated we would could change the contract and it would stay in effect until it was asked to be brought up again. All of North Farmersville's supply comes from the City. Copeville and Caddo Basin pulls from the City's water only in an emergency.
- Mayor Piwko stated the City was already going to take a hit from the lowered water rates from customers outside the city limits that we recently approved.
- Mike Hurst asked about the length of a contract.
- Ben White stated the contract was ongoing until it was to be looked at again.
- Mike Hurst asked if the rates for the City went up were those rates then charged to North Farmersville Water District as well.
- Ben White indicated that was correct, so it would be a wash out.
- Mike Hurst asked if the City was comfortable with 10% or 0%.

- Ben White stated he preferred none, but he believed the City could absorb it. He assumed they were asking for relief because they needed help.
- Glenn McClain stated they have been paying the current minimum for over 10 years.
- Ben stated we refigured the contract in 2011 and changed a few items.
- Mike Hurst stated he was concerned about a reoccurrence of this issue soon. He wanted to know what would happen if North Farmersville Water District hit the magic number of meters and inquired if they would then put in what the State required at that point.
- Ben White indicated that he believed Glenn McClain was going to try and keep the meters under the magic number of 250 meters total.
- Glenn McClain pointed out that half of Willow Brook was in the North Farmersville Water District, but the City services the meters to help.
- Craig Overstreet stated he does not want to set a precedent.
- Michael Hesse asked what organizations could come and ask for reductions.
- Ben White stated anyone that had interconnections with the City. People outside the city limits could come in and start asking the City to go even lower than what was just approved. Also, Camden Park is going to be starting soon.
 - Motion to deny the request made by Craig Overstreet
 - 2nd to approve was Donny Mason
 - All council members voted in favor

- H. Consider, discuss and act upon signage in regards to children at play.
- Ben White explained the copy of the white signs in the agenda packet were like the ones in Rockwall and they work really well, but they are heavy. Rockwall is transitioning to the yellow “your speed” sign because it is easy to move around. It could have a strobe action as well, but the signs are costly. They are \$3,700.00 each and the City would need two signs. The speed cart the City already has records the speed, but the signs would not.
 - Craig Overstreet asked if the signs are portable.
 - Ben stated they would be in a sleeve and we could move them.
 - Mayor worried about theft of the signs.
 - Ben White said Rockwall did not have a problem with theft of the signs.
 - Mayor Piwko stated the City has a lot of faded stop signs and feels we could use the money to replace the current signs and look into this option later in the future.

- Ben White stated the signs are a good solution, but again they are very costly. He suggested the cost could be built into the budget for next year.
 - Mayor Piwko asked if the City could use safe routes for children funding.
 - Mike Sullivan stated it could possibly be funded by that. He explained the speed signs would be an easier solution. But, he agreed the signage currently around town should be replaced first.
 - Mayor Piwko asked if Council delayed this item would Chief Mike Sullivan research funds for the safe routes for children and report back to Council.
 - He indicated that would not be a problem.
 - Staff directed to research funds and bring back to Council at a future meeting.
- I. Consider, discuss and act upon Resolution #R-2017-0523-001 regarding roadway support for North Texas Central Council of Governments.
- Ben White stated Princeton brought this to his attention. They are banding together with other cities because they are having trouble getting traffic through town. Ben explained what routes they were trying to negotiate in order to help the traffic flow. What the Resolution would do is accelerate the funding for these alignments. Ben thought it looked positive for Farmersville, and it seemed like a good idea to get North Central Texas Council of Governments (NCTCOG) to fund these routes. Staff recommends passage of the Resolution.
 - Craig Overstreet stated the City would have a Planning Workshop on June 1st and he would like to have the constituents weigh in on this issue. He explained if everyone read Section 5 of the Resolution the last few sentences discussed converting sections of U.S. Highway 380 to limited access. He stated that wording concerned him. Limited access on U.S. Highway 380 should bother residents that live on that road since the City does not know where the roads are going yet. He believes Council should hear from the community first.
 - Ben White stated the particular wording is meant to support and evaluate the different alignments. They are currently evaluating the options of alignment for U.S. Highway 380. It is the corridor of a north east roadway that will run close to Farmersville. It could be on U.S. Highway 380, but it could be somewhere else. He suggested getting rid of Section 5 in the Resolution and then it could still move forward.

- Mayor Piwko asked if it would even be addressed in the Comprehensive Plan workshop.
- Ben White suggested the Resolution will support the roadways that will help Farmersville residents travel west and south. Ben White indicated the 399 Spur is the most important part of this and it will stop at the lake.
- Craig Overstreet explained the Resolution talks about U.S. Highway 380 in Section 1 as well, and he is concerned about that because the City does not know what that means.
- Ben White stated they have to put a roadway east of Princeton but they do not know where it is going to be located. He explained that for growth it makes sense.
- Mike Hurst explained that at the last meeting he attended they stated they had two really good routes to go through Princeton. They were going to expand State Highway 78 to six lanes. On this side of the lake where Farmersville was concerned they did not discuss limited access.
- Ben White stated he understood there was a limited access roadway they were considering. They are trying to make that tie in to Rockwall. There are thoroughfares and an outer loop they are considering. It has always been about the spur and it would be beneficial for the City to go south and to the lake.
- Craig Overstreet stated in his motion he would recommend taking out section five.
 - Motion to approve after omitting Section 5 made by Craig Overstreet
 - 2nd to approve was Todd Rolen
 - All council members voted in favor

- J. Consider, discuss and act upon the procedures for City Facebook pages.
- Ben White explained that based on an event that happened during the election the City was trying to get things in place that would be effective in monitoring and ensuring no accidental posts would be made. The City currently has Facebook accounts for a few departments, such as the Police Department, Fire Department, Main Street, and the Library. When there is a City sponsored site, the requirement will be for it to be managed by a City employee. Everyone would have to go through a filter and the administrator could add things. He wants City administrators of the accounts to attend training classes through the Texas Municipal League (TML). All City sites must be approved through the City Manager and the City Secretary will review the policy every year. For the time being, all the administrators should add

the terms of use on each City operated Facebook page. He indicated Daphne Hamlin will change the sections in the policy manual pertaining to the new Facebook requirements.

- Mayor Piwko wanted to know if we would have more than one administrator.
- Ben White stated currently no, but he could add that a minimum of two administrators would be required.
- Michael Hesse wanted one administrator at City Hall and then another at a different location, such as the Police or Fire stations.
- Mike Sullivan stated they have three administrators for the Police Department. Brian Alford, Shaycee Jackson, and Chief Sullivan are the administrators.
- Ben White explained that it would be important to only remove items that went against the terms and conditions of the site. The City has the right to change the policy at any time.
- Mayor Piwko wanted to know how the City would get the terms and conditions out to people.
- Mike Sullivan stated it is always posted on the website for everyone to see.
- Ben White stated the item would be brought back to Council in the future for formal approval to the policy manual.
- Alan Lathrom pointed out that Facebook is not an exception to the open meetings act and the City should put that in the policy. Council and other board members cannot use it as a means to communicate with one another.
 - Ben White indicated he would move forward with the policy change.

K. Consider, discuss and act upon receiving \$100 donation to the Fire Department.

- Motion to approve made by Craig Overstreet
- 2nd to approve was Donny Mason
- All council members voted in favor

VI. REQUESTS TO BE PLACED ON FUTURE AGENDAS

- Mayor Piwko wanted to see a review on the infrastructure plans for Collin College.

VII. ADJOURNMENT

- Meeting was adjourned at 8:05 p.m.

APPROVE:



A handwritten signature in black ink, appearing to read "Diane C. Piwko", written over a horizontal line.

Diane C. Piwko, Mayor

ATTEST:



A handwritten signature in blue ink, appearing to read "Sandra Green", written over a horizontal line.

Sandra Green, City Secretary

