

**MINUTES OF THE
CITY COUNCIL BUDGET WORK SESSION
AND
SPECIAL CITY COUNCIL MEETING**

**MONDAY, AUGUST 29, 2005 — 6:45 P.M.
KAUFMAN CITY HALL
209 S. WASHINGTON
KAUFMAN, TEXAS 75142**

CITY COUNCIL

MAYOR	PAULA BACON
MAYOR PRO-TEM	PAULA HAGLER WAMPLER
COUNCILMEMBER	GIL ALTOM JR.
COUNCILMEMBER	LONNIE BOUNDS
COUNCILMEMBER	FLOYD CHOYCE
COUNCILMEMBER	STANLEY HOLMES
COUNCILMEMBER	JANICE MURRELL

INVOCATION: Chief of Police James M. Smith

PLEDGE OF ALLEGIANCE

CALL MEETING TO ORDER: Mayor Bacon called the Meeting to order at 7:33 p.m. Councilmembers present were Mayor Bacon, Mayor Pro-Tem Wampler, Councilmember Altom, Councilmember Choyce and Councilmember Murrell. The Mayor declared a quorum present. Councilmember Holmes and Councilmember Bounds were absent. Also present were Interim City Manager Curtis Snow, ACM/City Secretary Jo Ann Talbot, Director of Finance Cathy Cummins, Chief of Police James M. Smith, and Director of Public Works Richard Underwood.

NOTE: A Work Session is used to explore matters of interest to one or more City Council Members or the City Manager for the purpose of giving staff direction into whether or not such matters should be placed on a future regular or special meeting of the Council for citizens' input, City Council deliberation and formal City action. At a work session, the City Council generally receives informal and preliminary reports and information from City staff, officials, members of City committees, and the individual or organization proposing council action, if invited by City Council or City Manager to participate in the session. Participation by individuals and members of organizations invited to speak ceases when the Mayor announces the session is being closed to public input. Although Work Sessions are public meetings, and citizens have a legal right to attend, they are not public hearings, so citizens are not allowed to participate in the session unless invited to do so by the Mayor. Any citizen may supply to the City Council,

prior to the beginning of the session, a written report regarding the citizen's opinion on the matter being explored. Should the Council direct the matter be placed on a regular meeting agenda, the staff will generally prepare a final report defining the proposed action, which will be made available to all citizens prior to the regular meeting at which citizen input is sought. The purpose of this procedure is to allow citizens attending the regular meeting the opportunity to hear the views of their fellow citizens without having to attend two meetings.

1. Receive a report, hold a discussion, and give Staff direction regarding the Fiscal Year 2005-2006 Program of Services (Budget).

Interim City Manager Curtis Snow presented a report on Estimated Funds Available to Spend and explained that the estimated General Fund available to spend at 9-30-05 is \$282,906.73. The Water and Sewer Fund was estimated available to spend 9-30-05 is \$198,835.88. The report is hereby attached to the minutes. He then went over the budget issues under consideration. He reported that budget adjustments since the last submittal were Staff reduced legal fees by \$35,000.00, decreased NTMWD cost \$12,780.00 and decreased Ad Valorem by \$6,000.00. The reason the revenue was reduced on the ad valorem taxes is due to Staff is recommending to adopt the effective tax rate (the same as last year). The city will not have to hold any public hearings on the tax rate because we are adopting the effective tax rate. There will be a 3% increase on water rates for the next three years to replenish reserves that will be used for pump replacement. Some of the aging infrastructure is being replaced with the \$1.3 million loan from Texas Water Development Board. The new sewer upgrade for Highway 175 and Prairie Creek area will be coming from the \$2.4 million loan from Texas Water Development Board. A portion from the projects of the \$2.4 million have been completed and the remaining \$1.6 will install new sewer lines on Highway 175 and across to F.M. 1836 (Rand Road).

Director of Public Works Richard Underwood presented Council with a report on a street program. The report outlines all City blocks ranked and accessed by Staff, the ranking order (the lower the ranking number reflects the most distressed streets) based on pavement distress. Staff recommendations for this year's project were based on traffic load, overall distress and consistency. Staff's ultimate goal is to bring all City blocks to a ranking above 50%. The Council discussed streets with aging infrastructure that are scheduled to be overlaid. Council also discussed cost of concrete streets and underground drainage.

Director of Public Works Richard Underwood explained to the Council how the City maintains and records the use of gasoline throughout the year. At this time the diesel is not being monitored.

Interim City Manager Curtis Snow reported the Council's survey regarding employee salaries; three (3) Councilmembers were in agreement for a 4.5% increase and two (2) reported they would be in agreement with the other Council's decision. Councilmember Murrell commented that she would only support a 3% salary increase.

Two Councilmembers were not in favor of the \$4,000.00 budgeted for the Melody Park fence.

Two Councilmembers were not in favor of the \$6,000.00 budgeted for a Monument sign for City Hall.

One Councilmember was not in favor of the \$8,000.00 Community Planning.

City Staff will submit to Council a report of vehicles and equipment for auction.

Director of Public Works Richard Underwood will provide a map to the Council of the \$2.4 million and \$1.3 million sewer improvement projects funded by Texas Water Development Board.

Mayor Pro-Tem Wampler moved and seconded by Councilmember Choyce to adjourn the meeting at 8:46 p.m. The Mayor called for a vote with all voting AYE, the motion carried.

ADJOURNMENT.

Mayor Pro-Tem Wampler moved and seconded by Councilmember Choyce to adjourn the Budget Workshop at 8:46 p.m. and to reconvene back to the Special City Council meeting. The Mayor called for a vote with all present voted AYE, the motion carried. Councilmember Holmes and Councilmember Bounds were absent.

SPECIAL CITY COUNCIL MEETING

CALL MEETING TO ORDER: Mayor Bacon called the Meeting to order at 7:21 p.m. Councilmembers present were Mayor Bacon, Mayor Pro-Tem Wampler, Councilmember Altom, Councilmember Choyce and Councilmember Murrell. The Mayor declared a quorum present. Councilmember Holmes and Councilmember Bounds were absent. Also present were Interim City Manager Curtis Snow, ACM/City Secretary Jo Ann Talbot, Director of Finance Cathy Cummins, Chief of Police James M. Smith, and Director of Public Works Richard Underwood.

The Council recessed and moved to the Budget Workshop at 7:33 p.m. The Council reconvened into the Special City Council Meeting at 8:47 p.m.

CITIZENS COMMENTS (5 MINUTES) Citizens may address the City Council on any subject but must first complete a Request to Speak Form. Comments are limited to five (5) minutes, but no more than five (5) minutes per individual, and are not transferable. Citizen's comments not to exceed a total of 15 minutes.

No comments were made by the citizens.

1. Consider a request for the Chamber of Commerce to provide the City with the Scarecrow Festival 2002, 2003, 2004, a re-cap of revenues and expenses itemized by categories (for example: equipment rental, (stage, sound system, etc.) entertainment (musicians, clowns, etc.), advertisement, security, trophies, prizes, postage, etc. Revenues generated such as: booth rentals, sponsors, car show registration, concessions, games, etc. as it relates to Tourism (Hotel/Motel Tax) Funds.

Mayor Bacon reported that City Staff has been asking for information regarding the Scarecrow Festival from the Chamber since June. The information provided was a budget and not the complete information that the City was looking for. The Mayor read from the Economic Development Law handbook regarding the management or supervision of activities funded with revenue from the hotel occupancy tax. It specifically says "Funded entities (Chamber) must submit at least quarterly reports to the city council on their expenditures of the tax revenues. The reports must list all expenditures made by the entity from the hotel occupancy taxes provided by the city. The entity is also required to keep complete and accurate financial records of each expenditure of hotel occupancy tax revenue. These records must be made available for inspection and review upon the request of the governing body or upon a request from any other person."

The Mayor is still interested in obtaining this information. The law also states: "That the Chamber undertakes a fiduciary duty with respect to this revenue and maintains the revenue in a separate bank account and may not be commingled with any other account." She asked for the information to be provided to the City by the end of the week.

Chamber Director Lee Ayres reported that he spoke to the City Secretary and informed her that they do not have the detailed information that was asked for. Mr. Ayres reported that he would be delighted to provide information for the past three years of checks stubs, cancelled checks and receipts.

Councilmember Altom commented that the Council would be pleased if they received the information. Personally, he thinks it is a shame that we couldn't let the Chamber still do the Scarecrow Festival. He was not part of the Council that removed the Hotel/Motel Tax from the Chamber so he does not understand the logic behind taking it away when it was successful and running good. At the same time the City is entitled to what they are asking for.

After further discussion, Mayor Pro-Tem Wampler moved and seconded by Councilmember Murrell for the Chamber of Commerce to provide the City with the Scarecrow Festival 2002, 2003, 2004, a re-cap of revenues and expenses itemized by categories (for example: equipment rental, (stage, sound system, etc.) entertainment (musicians, clowns, etc.), advertisement, security, trophies, prizes, postage, etc. Revenues generated such as: booth rentals, sponsors, car show registration, concessions, games, etc. as it relates to Tourism (Hotel/Motel Tax) Funds. The Mayor called for a vote with all voting AYE, the motion carried. Councilmember Holmes and Councilmember Bounds were absent.

Chamber Director Ayers invited the Council to the Wednesday morning meetings.

At this time, the Council recessed and moved to the Budget Workshop at 7:33 p.m.

The Council reconvened to the Special City Council Meeting at 8:47 p.m.

EXECUTIVE SESSION

Mayor Pro-Tem Wampler moved and seconded by Councilmember Choyce to go into Executive Session at 8:47 p.m. The Mayor called for a vote with all present voted AYE, the motion carried. Councilmember Holmes and Councilmember Bounds were absent.

THE CITY COUNCIL WILL HOLD A CLOSED EXECUTIVE SESSION PURSUANT TO CHAPTER 551, GOVERNMENT CODE V.T.C.A. (OPEN MEETINGS LAW), IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN SECTION 551.074 PERSONNEL.

1. PERSONNEL - Under TEX. GOV'T. CODE Sec. 551.074
 - a. Discuss City Manager's position.

ANY FINAL ACTION, DECISION, OR VOTE ON A MATTER DELIBERATED IN EXECUTIVE SESSION MEETING OR ON INFORMATION RECEIVED IN A CONFERENCE WITH EMPLOYEES WILL ONLY BE TAKEN IN AN OPEN

MEETING THAT IS HELD IN COMPLIANCE WITH TEX. GOV'T CODE CH. 551. THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AS AUTHORIZED BY TEX. GOV'T CODE SEC. 551.001, ET SEQ. (TEXAS OPEN MEETINGS ACT) ON ANY ITEM ON ITS OPEN MEETING AGENDA OR TO RECONVENE IN A CONTINUATION OF EXECUTIVE SESSION ON THE EXECUTIVE SESSION MEETING ITEMS NOTED ABOVE, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, INCLUDING, WITHOUT LIMITATION, SECTIONS 551.071-551.086 OF THE OPEN MEETINGS ACT.

The Executive Session was adjourned at 8:59 p.m.

END OF EXECUTIVE SESSION

2 CONSIDER ANY OFFICIAL ACTION ON THE EXECUTIVE SESSION CLOSED MEETING ITEMS:

1. PERSONNEL – Under TEX. GOV'T CODE Sec. 551-074.
 - a. Consider any official action regarding the City Manager's position.

Councilmember Altom moved and seconded by Councilmember Murrell to set up a meeting to re-interview Mr. Young and Mr. Whiteman. The Mayor called for a vote with Councilmember Murrell, Councilmember Choyce, Councilmember Altom and Mayor Bacon voting AYE. Mayor Pro-Tem Wampler voted NAY. The motion carried.

ANNOUNCEMENTS FROM CITY MANAGER.

No announcements were made by the City Manager.

REQUEST/COMMENTS FROM MEMBERS OF CITY COUNCIL.

Councilmember Murrell commented that the new two hour parking signs around the square look very nice and thanked Street Superintendent Billy Martin.

ADJOURNMENT.

Mayor Pro-Tem Wampler moved and seconded by Councilmember Murrell to adjourn the meeting at 9:01 p.m. The Mayor called for a vote with all voting AYE, the motion carried. Councilmember Bounds and Councilmember Holmes were absent.

PAULA BACON, MAYOR

ATTEST:

JO ANN TALBOT, CITY SECRETARY