

**REGULAR MEETING**  
**MAY 25, 2010**

Mayor Jeff Bearden called the Regular Meeting of the City Commission to order at 6:30 p.m. in the Commission Chambers, and a quorum was declared present.

Present: Mayor Jeff Bearden

Commissioners: Jimmy Dennis, Russell Brownlow, Travis Taylor and Phil McCuiston

Staff Present: City Manager Mitch Grant, City Attorney Trish Byars, Police Chief Tom Wilson, Fire Chief Kent Smead, Community Development Director Monica Wilkinson, Finance Director Anne Garmon, and City Secretary Linda Byers.

Mayor Bearden led the group in the Pledge of Allegiance to the U.S. and Texas flags, followed by the invocation.

City Secretary Linda Byers administered the oath of office to Mayor Jeff Bearden, City Commissioner Place 1 Jimmy Dennis, and City Commissioner Place 2 Russell Brownlow, who were elected unopposed in the May 8, 2010 Election.

**ELECT MAYOR PRO-TEM**

Commissioner Dennis nominated Russell Brownlow as Mayor Pro-tem. Commissioner McCuiston seconded that nomination.

Commissioner McCuiston made the motion to elect Commissioner Brownlow as Mayor Pro-tem by acclamation.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

**PUBLIC COMMENT**

Mayor Bearden opened the meeting to Public Comment from those who had submitted Requests to Speak during Public Comment Forms.

Jose Cardenas encouraged City leaders to dispose of brine discharge via a disposable well, stating that it is in the best interest of our community, the health of the citizen's and the environment.

Dane Mount asked the City to consider disposal of wastewater by injection well in consideration of the owners downstream.

Andy Brumley stated that the City needed to set priorities and ours should be clean drinking water. The City should do what is right and not pass the buck. Toxic materials in the river are wrong. He stated that he would do what must be done to legally stop dumping in the river.

**CHARTER COMMITTEE APPRECIATION**

Mayor Bearden and the City Commission issued certificates of appreciation to the members of the Charter Review Committee for their service in recommending charter changes and explain those changes to the public at large. Members of the Charter Review Committee are:

Paul Hawkins	Kelly Couch
Ruben Hinojosa	Harold Cardcastle
W. M. (Bill) Huskinson	Lloyd Bridges
Lynn Tyra	Bob Crews
Robert Thomas	Dan Richardson

**CONSENT AGENDA**

Commissioner Brownlow moved the following items, under the Consent Agenda be approved:

- A. Minutes of the Regular City Commission Meeting held on Tuesday, April 27, 2010, and a Special City Commission Meeting held on Thursday, May 13, 2010.
- B. Second Reading of Ordinance No. 1540 approving Re-Codification of City Ordinances.
- C. Amend Personnel Policy Manual Section 906 to remove the requirement that current employees be required to pass a drug and alcohol test for transfer and promotions.
- D. Expenditure of \$5,500 for the City of Vernon Fireworks display for July 4, 2010.
- E. Request to remove three police department vehicles from service and declare them surplus so that they can be sold at auction.
- F. Monthly investment report for April, 2010 indicating interest earned of \$23,249.42, and vouchers for April 1, 2010 through April 30, 2010 totaling \$774,280.09.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

**ANNUAL FINANCIAL REPORT – YEAR ENDING SEPTEMBER 30, 2010**

Mike Edgin with the firm of Edgin, Parkman, Fleming & Fleming, PC presented the findings from the independent audit report and financial statements for the year ending September 30, 2010. Financial highlights were:

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$20,886,421 (net assets). Of this amount, \$4,360,397 (unrestricted net assets) may be used to meet the City's obligations.
- The City's total net assets increased by \$345,023
- The governmental funds reported a fund balance this year of \$4,635,739, which is a decrease of \$159,164 in comparison with the prior year amount. \$846,245, or 18% of this amount, is available for spending at the government's discretion (unrestricted fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$846,245, or 13% of the total General Fund expenditures.

Commissioner Taylor made the motion to accept the audit report.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

**FIRST SOUTHWEST GEORGE WILLIFORD**

George Williford, Managing Director of First Southwest, explained his company and the services they can and have offered to the City as financial advisors as the City considers refunding the Series 2000 bonds. He explained that the earliest date that these bonds can be refunded is September 15, 2010, and offered several scenarios to save the city interest costs.

City Manager Grant explained that the city did not want to borrow more money, just refinance existing bonds to save money.

Finance Director Garmon noted that the commission should consider the number of years in refinancing since it will influence budget projections.

**REQUEST FOR QUALIFICATIONS – FINANCIAL ADVISOR**

City Manager Grant explained to the commission that we should issue Request for Proposals for a Financial Advisor so that the different vendors could be considered. A timeline for this process was presented so that a Financial Advisor could be selected at the June, 2010 City Commission Meeting.

Commissioner Dennis made the motion to approve the plan to issue Request for Proposals for a Financial Advisor.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

**ORDINANCE NO. 1542**

**AN ORDINANCE AMENDING CHAPTER 1, GENERAL PROVISIONS, SECTION 1.6, GENERAL PENALTY, OF THE CODE OF ORDINANCES OF THE CITY OF VERNON; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES IN CONFLICT; AND PROVIDING FOR RECORDING AN EFFECTIVE DATE.**

City Manager Grant explained that the City planned for this after the changes to the Charter were approved by the voters. There is no increase in fine revenue anticipated, and he does not recommend a change in the fine structure, but this enables the court to penalize repeat offenders when necessary, and assess fines as provided by state law.

Commissioner McCuiston made the motion to approve Ordinance No. 1542.

Commissioner Brownlow seconded the motion, which passed by unanimous vote.

**CHANGE ORDER #1 FOR WATER TANK CONSTRUCTION**

City Manager Grant explained that the Public Works Department is requesting a change order to place a large meter at the intake line in order to help meet new water conservation measures regarding the reconciliation of water production and distribution. Anticipated cost for this project is approximately \$20,000. Mr. Grant and Public Works Director Bob Cochran recommend approval of this Change Order in an amount up to \$20,000. Costs will be paid from bond proceeds.

Commissioner Taylor made the motion to approve the change order.

Commissioner McCuistion seconded the motion, which passed by unanimous vote.

**RESOLUTION NO. 903**

**A RESOLUTION OF THE CITY COMMISSION OF VERNON, TEXAS IN SUPPORT OF A NATIONAL PARK SERVICE INITIATIVE TO CONDUCT A FEASIBILITY STUDY FOR THE DESIGNATION OF THE GREAT WESTERN TRAIL AND THE CHISHOLM TRAIL AS NATIONAL HISTORIC TRAILS.**

Mayor Bearden explained that the National Park Service is conducting a feasibility study of adding the Great Western Trail and the Chisholm Trail to the National Historic Trails System. This resolution along with letters of support from local organizations and other cities along the Great Western Trail will be presented at a series of public meetings held by the National Park Service along both trail routes to gauge public interest and support for including these trails in the national system.

Commissioner Brownlow made the motion to approve Resolution No. 903.

Commissioner McCuistion seconded the motion, which passed by unanimous vote.

**ORDINANCE NO. 1543**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, AUTHORIZING BUDGET AMENDMENT NUMBER 1 TO THE 2009-2010 OPERATING BUDGET DUE TO UNFORSEEN SITUATIONS, AND DECLARING AN EMERGENCY.**

This Budget amendment is for emergency repairs of the Street Department Motor Grader. It will transfer \$19,723.53 from the Utility Fund-Contingency into the General Fund-Street Department-Motor Vehicles.

Tape #859 and #860

Commissioner Taylor made the motion to approve Ordinance No. 1543.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

### **COUNTY TAX COLLECTION CONTRACT**

City Manager Grant noted that Wilbarger County had agreed to all of the terms discussed at the April, 2010 regular meeting, and asked that the Commission approve this contract for Wilbarger County to collect property taxes for the City of Vernon contingent upon final legal review.

Commissioner Dennis abstained from discussion or voting on this measure – citing conflict of interest.

Commissioner McCuiston made the motion to approve the contract, contingent upon final legal review.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

### **BRINE WATER DISCHARGE**

City Manager Grant outlined the options available to the City for discharge of the brine waste from the Ion Exchange Plant.

All funding, permitting and feasibility is in place and we could start immediately with discharger into the Pease River. The option of an injection well has not been funded or permitted, but feasibility is good. Injection could be done through an on-site well, offsite in existing wells, or an off-site new well. There are \$350,000 in bond funding available that would completely pay for the discharge option. An additional \$1,000,000 plus would be needed for any of the injection well options. Maintenance costs would also be higher for the injection well option.

Mr. Grant suggested that the City schedule a public hearing to hear public comments, and consider any remarks in a decision at the June regular meeting.

Commissioner Dennis made the motion to set a public hearing regarding brine disposal plans.

Commissioner Taylor seconded the motion. Commissioner Taylor asked Mr. Andy Brumley if they wanted a public discussion. He responded that if it was for actual discussion-yes, but not if it was for appeasement purposes. He also asked Mr. Jose Cardenas if he desired a public hearing. He stated that it would be in the best interest of the community to do that and when you evaluate the cost options for the alternative it will be a legal action filed if we dump stuff in the river. He will personally initiate that. It would more expensive to the city.

Following other discussion, the motion passed by unanimous vote.

### **TEXAS MAIN STREET REVIEW COMMITTEE**

As part of the application process for the Texas Main Street Program, staff is recommending holding a series of informational meetings with representatives from participating entities within the community. A meeting is tentatively scheduled for June 3, 2010 at 6:30 pm.

Commissioner McCuiston made the motion to recommend Mayor Bearden serve on the Main Street Review Committee.

Commissioner Dennis seconded that motion, and made a motion to amend that to add Commissioner Taylor to the Main Street Review Committee.

Commissioner McCuiston seconded the amendment, which passed by unanimous vote.

Following this amendment, the amended motion to recommend Mayor Bearden and Commissioner Taylor to the Main Street Review Committee, passed by unanimous vote.

### **FIRE APPARATUS PURCHASE OPTIONS**

Fire Chief Kent Smead presented three options as to the Fire Departments possible purchase of a fire apparatus in the FY 2009-2010 budget to replace Engine 3, which is a 35 year old pumper that has been out of service due to transmission problems and it will not pass the annual pump test requirements.

- Option 1: The FD is awarded a 2009 Fire Act Grant (\$487,000) to purchase a 75' Quint, with a 95% Federal/5% Local Match. We have not received any communications from FEMA on the status of our application.
- Option 2: The City funds the entire \$550,000 for the purchase of the Quint. This amount would be financed with an estimated annual payment of \$54,000 for 15 years.
- Option 3: The City purchase a new pumper for an estimated cost of \$350,000 and a used ladder truck for an estimated cost of \$100,000. This option would satisfy the ISO recommendations for a ladder truck as well as all pumpers meeting the annual pump test requirements.

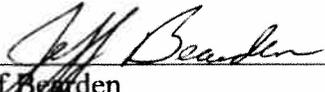
Following discussion of the options presented, Commissioner McCuiston made the motion to approve plans to bring back a proposal at the next regular meeting with hard figures and recommendations and budget status on revenues.

Commissioner Dennis seconded the motion, which passed by unanimous vote.

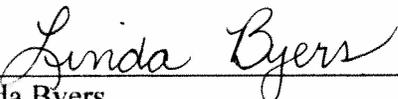
**ADJOURN**

Commissioner Taylor made the motion to adjourn the meeting at 8:07 p.m.

Commissioner McCuiston seconded the motion, which passed by unanimous vote.

  
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Jeff Bearden  
Mayor

ATTEST:

  
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Linda Byers  
City Secretary