

REGULAR MEETING
JUNE 22, 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, with Commissioner Jimmy Dennis being absent.

Present: Mayor Jeff Bearden

Commissioners: Russell Brownlow, Travis Taylor and Phil McCuiston

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

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

PUBLIC COMMENT

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

Charles McArthur addressed the Commission requesting benches or bleachers for the basketball court at Lyday Park.

Mayor Bearden responded that the Commission would take it under advisement.

CONSENT AGENDA

Commissioner McCuiston moved the following items, under the Consent Agenda are approved:

- A. Minutes of the Special Meeting held on June 14, 2010, Minutes of the Regular Meeting held on May 25, 2010, and Minutes of the Finance Committee Meeting held on May 25, 2010.
- B. Depository Contract with the Waggoner National Bank for an additional two years from October 1, 2010 until September 30, 2012. The new rate for all City of Vernon deposits will be equal to the Fed Funds target rate plus 75 basis points.
- C. The Fire Department to make application for an apparatus grant from the Texas Forest Service. The grant is 100% state share to purchase wildland fire apparatus.
- D. Financial Investment Report with total earned interest reported of \$21,706.51 and Vouchers totaling \$895,844.70 for the period May 1, 2010 through May 31, 2010.

RECOGNITION OF FIRE DEPARTMENT PERSONNEL

Mayor Bearden recognized the Fire Department for their participation in a high-angle rescue from atop the Chillicothe Grain Elevator. He read a letter from the EMS Director for Hardeman County EMS praising the professionalism, efficiency, cooperation, and effectiveness of the crew that responded to the incident. He also read a letter of appreciation from the City Commission commending their heroic efforts. Firemen who were recognized are:

Captain Paul Nunn

Firefighter Roger Duckworth

Lieutenant J.J. Oznick

Firefighter Ben Hayes

Lieutenant Dale Fouse

Firefighter Aaron Crumbley

Firefighter James Easley

Firefighter David Nuzzo

SWIMMING POOL ENGINEERING SELECTION PROCEDURE

Community Development Director Monica Wilkinson explained that she has spoken with the Texas Parks and Wildlife Department (TPWD) Scoring Committee for the Outdoor Recreation Grant that the City has reapplied for, and had received approval from TPW to start the RFQ process for engineering for the Aquatic Center.

Plan A would have the aquatic center funded with \$500,000 TPWD grant. We should know if our project will be funded by the July, 2010 city commission meeting.

Plan B would have the City self fund and finance the new aquatic center. We have in excess of \$500,000 now set aside to initiate the project. Staff feels that it would be in the best interest of time to move forward and get started with the selection of an engineer for the design of the aquatic center if the engineer agrees not to be paid until the TPWD grant is received or if grant is denied, will be paid from city funds.

City Manager Grant explained that the Swimming Pool Committee has a general idea for the aquatic center and will work with the engineer selected. It will take 10 to 12 months for construction, so if we want to be ready by next summer, we need to get started. The grant will not pay for the pool house, and the hope is that donations will help pay for that. The current voluntary donation that is added to the water bills would be enough to meet the debt service requirements if the city finances the project.

There was discussion about written approval from TPWD to proceed with engineering, and Ms. Wilkinson said that she would follow up to obtain that approval. Mr. Grant also noted that if the city finances the project, the commission must decide what options to remove from the original outdoor recreation grant plan, whose total cost was \$1.4 million. That cost could be lowered if we removed some options.

Commissioner Brownlow made the motion to authorize staff to prepare a Request for Qualifications for engineering services for the aquatic center and appoint a committee to review the proposals.

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

There was unanimous consent for Commissioner Russell Brownlow to serve on the Review Committee.

FIRE TRUCK PURCHASE

City Manager Grant explained that Fire Chief Smead has provided specific amounts for the purchase of a new fire truck. He also noted that estimates on the budgeted revenues and expenditures appear to be about break even in the General Fund at the end of the year.

Fire Chief Smead explained that he had received pricing from four Buy Board vendors that meet state bidding requirements. Both Mr. Smead and Mr. Grant recommend that the City purchase only vehicles built as fire trucks, not stock products converted for fire use.

Fire Chief Smead provided quotes for a Quint (pumper and ladder truck combined) and for a pumper. Delivery is from 120 days to 270 days. Lowest bids were from Ferrara-Hall Chevrolet for a 77' Quint – Intruder 2 2009 Model for \$540,826 and for a pumper-Intruder 2 2010 model for \$326,737.

There was discussion about the differences between custom and conversion vehicles, and the problems with purchasing conversion vehicles. There was also discussion of whether to purchase a pumper, a Quint, or a pumper and ladder truck. The City has three pumpers in service and one pumper out of service. We must have three pumpers and a backup to maintain our ISO rating.

There is a \$48,000 down payment in the current budget. There is also \$35,988, which is the last lease payment on the 2004 pumper. To maintain the current budget next year, both of these amounts could remain constant in the 2011 budget, and be used for lease payments on the proposed purchase. Financing is already arranged with Bank of the West.

There was extensive discussion concerning ladder trucks. After questioning by the commission, Fire Chief Smead recommends that the 77' Quint would be ideal for his department. It is one piece of equipment that can do two jobs, either as a pumper or as a ladder truck, or both. It would reduce maintenance costs. If we purchased a pumper and a used ladder truck, we would have two pieces of equipment and one of those would be 10-20 years old when we purchased it. The city gets 30 years of use from fire apparatus, and purchasing used equipment reduces the years of usable life for city equipment.

Commissioner McCuistion and Taylor both voiced approval of the 77' Quint purchase, but Mr. Taylor voiced concerns about paying for it, possibly delaying it until next year's budget.

There was extensive discussion about the cost of delaying the purchase, the availability of the 2009 engine versus the 2010 engine, the best way to pay for the cost of the 77' Quint, and the ISO rating for the City.

Commissioner Taylor made the motion to approve purchase of the 77' Quint, but not authorize the order until next year's budget is filed. The motion died for lack of a second.

Commissioner Brownlow made the motion to look at how long the bid on the 77' Quint is valid, and to postpone action until the July 27, 2010 meeting.

(Mr. Smead called the vendor before the meeting adjourned and found out that the bid for the 77' Quint is good for 60 days if the engine is available.)

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

MAIN STREET PROGRAM APPLICATION PROCESS

City Manager Grant explained that staff is moving forward with a plan for the Main Street Program, and would like a directive from the Commission to proceed with the application process. Application deadline is July 30, 2010.

A funding plan for a three year commitment is outlined using funds from sale of the former police department, budgeted funds, BDC/Hotel-Motel funds, Vintage Vernon and donations. The Main Street Program requires a yearly budget of about \$70,000.

Staff is preparing to send out a letter to all downtown businesses to gauge support for the program, and there was discussion concerning support for the program. The Texas Historical Commission Main Street Program Coordinator will be here for a meeting on July 6, 2010 to speak on the details of the program.

Commissioner Taylor made the motion to approve development of the proposed plan and to proceed with the Main Street Program application pending approval at the July 27, 2010 City Commission meeting.

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

ORDINANCE NO. 1544

AM ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS APPROVING THE SALE OF 3701 PARADISE STREET BY SEALED BID, APPROVING THE SALES PRICE, AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED TO THE WINNING BIDDER.

City Manager Grant explained that the only bidder was Phillip Windsor, the property owner who deeded the property to us so that we could use grant funds to clean up and dispose of the old Calvary Baptist Church following a fire.

Commissioner McCuiston made the motion to approve Ordinance No. 1544 selling the property to Phillip Windsor.

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

SELECTION OF FINANCIAL ADVISOR

City Manager Grant explained that we received two proposals for the City's financial advisor. First Southwest, the firm that the City has used since 1962, and Specialized Public Finance Inc. both responded to our RFQ.

Staff recommends that the City use First Southwest because of their past history of good service to the city. Discussion of the proposals followed.

Commissioner McCuiston made the motion to accept the staff recommendation to hire First Southwest as the city's financial advisor.

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

PROPOSED BUDGET SCHEDULE

City Manager Grant suggested that each commissioner send a letter to him with any ideas and recommendations for the budget.

Mayor Bearden noted the city's priorities and that revenues were not expected to bounce back. We don't want to slow down on our development. We must either go forward as a community or we will deteriorate. We can't stand still, but must keep moving forward. The city will have many challenges in the next year, and need to continue to be aggressive in finding grant opportunities.

Commissioner McCuiston made the motion to approve the proposed budget schedule and circulate some goal setting direction from commission members..

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

ADJOURN

Commissioner Taylor made the motion to adjourn the meeting at 8:08 p.m.

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



Jeff Bearden
Mayor

ATTEST:



Linda Byers
City Secretary