

REGULAR MEETING
APRIL 24, 2012

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, Public Works Director Bob Cochran, Finance Director Anne Garmon, Community Development Director Monica Wilkinson, Main Street Director Dan Kelleher, Parks & Cemetery Supervisor Tony DeHoyos, 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.

There was no Public Comments.

Mayor Bearden recognized Boys Scouts present who are working for their Citizenship in Community Merit Badge.

CONSENT AGENDA

Commissioner Brownlow moved the following items under the Consent Agenda are approved:

- A. Minutes of the Regular City Commission Meeting held on Tuesday, March 27, 2012, and minutes of the Finance Committee Meeting held on Monday, March 26, 2012.
- B. Second reading of Ordinance No. 1589 regarding a rate increase for sanitation per the IESI contract.
- C. Emergency replacement of the air conditioner unit at Municipal Court in the Police Department Building at a total cost of \$6,500 by Fancher Electric.
- D. Financial Investment Report for the month of March, 2012 with interest earned totaling \$5,849.96 and vouchers from March 1, 2012 – March 31, 2012 in the amount of \$1,399,875.72.

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

Digital Recording on file

HISTORIC PRESERVATION MONTH PROCLAMATION

Mayor Bearden read a proclamation proclaiming May, 2012 as National Preservation Month and encouraging citizens of Vernon to recognize and participate in this special observance.

MAIN STREET AWARDS PRESENTATION

Main Street Director Dan Kelleher presented awards for:

The Perdue Brandon Fielder Collins & Mott Architectural Appreciation Essay Contest:

1st Place: Caitlin Curtis \$150 prize

2nd Place: Maxwell Parsons \$100 prize

3rd Place: Cooper Alexander \$50 prize

Vernon Architectural Appreciation Drawing Contest sponsored by Vernon College:

1st Place: James Milner \$150 prize

2nd Place: Tanner Vargas \$100 prize

3rd Place: Seonju Kim \$50 prize

Copies of all of these are in the agenda packet.

TOURISM REPORT

Tourism Chairman Joe Rogers reported about the new tourist maps, billboard locations, the new Chamber website, and Tourism in-room videos. Event hearings will begin in June for funding in the 2012-2013 year.

REPORT - AQUATIC CENTER CONSTRUCTION

Mayor Bearden requested consent to move the Aquatic Center Construction Report as the next item on the agenda. There was no objection.

Parks and Cemetery Superintendent Tony Dehoyos reported that the plumbing for the pump/filter room is near completion. Foundations for the mechanical room and bathhouse are in place, and construction has started on the walls. Construction has begun on the large slide. Mr. Dehoyos introduced Brant Clifton as the Manager of the Aquatic Center who reported that fourteen lifeguards have been hired for the summer.

REPORT - BRINE DISCHARGE LINE CONSTRUCTION

Public Works Director Bob Cochran reported that the discharge line is 40% complete and awaiting delivery of the pumps to discharge waste material from the nitrate plant into the line. Installation should begin next week, and start-up of the Nitrate plant should be in a couple of months.

The contractor should be here soon to begin resurface of the vessels in the Nitrate plant.

PURCHASE OF GENERATORS

Mayor Bearden requested consent to move the Item No 19 for consideration as the next item on the agenda. There was no objection.

Public Works Director Bob Cochran reported that there was only one bid received to purchase six (6) portable generators on trailers which was from Fancher Electric with two options:

1. Magnum Mobile MMG 25 Generators w/ trailers in the amount of \$100,000.
2. Magnum Mobile Light MLG 25 Generators w/ trailers in the amount of \$88,000.

Labor and materials for installation of plugs at wells and transfer switches on poles total \$4,800. Staff recommends option #1 and there is bond money available and budgeted for this purchase totaling \$104,800.

Commissioner Taylor made the motion to approve the purchase of budgeted generators for water production and waste water collections systems.

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

PUBLIC HEARING

Mayor Bearden opened a public hearing regarding closeout for the Texas Department of Agriculture (TDA) Capital Fund Project for Construction of Western Trail Drive.

There was no public comment, and Mayor Bearden closed the public hearing.

PUBLIC HEARING

Mayor Bearden opened a public hearing regarding the Texas Department of Agriculture (TDA) Capital Fund Grant Application for Construction on Bentley Street.

There was no public comment, and Mayor Bearden closed the public hearing.

RESOLUTION NO. 932

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING THROUGH THE TEXAS DEPARTMENT OF AGRICULTURE/OFFICE OF RURAL COMMUNITY AFFAIRS TEXAS CAPITAL FUND INFRASTRUCTURE GRANT PROGRAM

City Manager Grant explained that this was part of the expansion package that was offered to Rhodia for their plant expansion. The actual award amount is \$250,000 (\$200,000 for construction and \$50,000 for engineering and administration). This grant is at no cost to us, and will be used for reconstruction of Bentley Street, North of U.S. Hwy 287 service road.

Digital Recording on file

Commissioner McCuiston made the motion to approve Resolution No. 932 making application with Texas Department of Agriculture Capital Fund on behalf of Rhodia for reconstruction of Bentley Street.

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

ORDINANCE NO. 1590

AN ORDINANCE CONSIDERING ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE AND DELIVERY OF "CITY OF VERNON, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012"; ESTABLISHING PARAMETERS FOR THE REDEMPTION OF CERTAIN OUTSTANDING OBLIGATIONS OF THE CITY; AUTHORIZING THE ISSUANCE OF THE BONDS; APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING TO SAID BONDS; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT.

City Manager Grant explained that this ordinance will refinance City of Vernon 2002 Series TWDB Bonds.

Erick Macha, Vice President with First Southwest, told the Commission that this would be a Parameter Bond Sale whereby the Commission set the parameters by which the bonds would be sold and refinanced, and would delegate final pricing authority to the pricing officers. Pricing officers can only approve the sale if Commission parameters are met. Parameters established by the Commission would be:

- Maximum interest rate (2.6% - 3.35%)
- Minimum savings threshold for refunding (recommended \$30,000)
- Aggregate principal amount of issue (callable amount \$1,865,000)
- Final Maturity Date (same as original bonds: 03-15-2023)
- Expiration of delegated authority (6 months)

Pricing Officers would be designated as the City Manager or the Finance Director. The Refunding Certificate of Obligation will affect the City's tax rate but will not affect the bond rating. First Southwest recommends a minimum savings of \$30,000.

Following discussion of various options for refunding, Commissioner Taylor made the motion to approve Ordinance No. 1590 with a minimum savings amount of \$30,000.

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

RESOLUTION NO. 933

**A RESOLUTION CLARIFYING RESOLUTION NO. 922
CHANGING "PROJECT BIG SKY" TO RHODIA, INC.**

City Manager Grant explained that when Resolution No. 922 was passed, Rhodia's name had not been released. This resolution will clarify Rhodia as recipient of the nomination for the State Enterprise Fund.

Commissioner Dennis made the motion to approve Resolution No. 933.

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

RESOLUTION NO. 931

(Tabled at March Regular Meeting)

**A RESOLUTION OF THE CITY COMMISSION OF THE
CITY OF VERNON, ELECTING NOT TO REQUIRE THE
REMITTANCE OF A PEG FEE BY HOLDERS OF A STATE
ISSUED CERTIFICATE OF FRANCHISE AUTHORITY.**

City Manager Grant explained that these PEG (Public, Educational & Government) Fees can only be used for capital purchases like equipment and cameras and cannot be used for operation & maintenance. These fees (about \$16,000 annually) will be required to be segregated from our other franchise fees and accounted for separately. We can only use these funds for city benefit for a limited purpose. Staff recommends that we not pass this resolution and retain these fees for future use.

Following a short discussion, Commissioner Dennis made the motion to remove Resolution No. 931 from the table.

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

Mayor Bearden called for a motion, none was received. A vote was called to approve Resolution No. 931, and all Commissioners voted "No". The Resolution was defeated.

AQUATICS CENTER CHANGE ORDER #2

City Manager Grant outlined the changes that are proposed to be made as we get to the end of construction. There are several options, but the infrastructure for the second slide would cost \$6,000, and changes to fencing that would incorporate part of the shade structure east of the Orbison Clubhouse are items we would like to add. In discussions with the pool contractor, we can get credit for some items the contractor can do differently or remove. Mr. Grant outlined options which incorporate all of the credits and optional expenses:

Digital Recording on file

Optional Credits:	Contracted ornamental fencing	-\$7,000	
	Tile (on deep end-bottom of lanes)	-\$1,500	
	Fill rocks under slide (we have rocks)	-\$ 800	
	Labor for fill rocks	-\$1,200	
	Final grading outside fence (city labor)	-\$1,500	
	Lessen chain link fence length (Bring fence to edge of deck)	-\$1,050	
	Cheaper Auto fill level	-\$1,000	
	Basketball Goal	-\$ 800	
	Allow Speedy Drain for deck	-\$2,000	
	Reduce Gate Numbers	-\$2,000	
	Turnstile Gate (no longer needed)	-\$2,000	
	Optional Expenses:	Infrastructure (Slide 2)	+\$6,000
		Columns (9) plus 48" screen for shower	+\$5,600
		Pool Pump (Slide 2) downpayment	+\$6,000
Ornamental fencing/city labor/panels		+\$6,000	
New additional costs		\$2,750	

Ronny Carlson with Atlantis Pools agreed that the additional pool pump had been shipped by the supplier and we could use it as a replacement pump even if we do not add the second slide. The City will owe another \$6,000 payment for the pump in 2013. He also agreed to waive the \$2,750 additional costs if the commission agreed to all of the changes in Option #4, and he would also provide pallets of turf to go around the edge of the pool after construction is completed.

Following discussion, Commissioner McCuiston made the motion to approve change order #2 utilizing Option #4 as presented.

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

NEXTERA CROSSING AGREEMENT

City Manager Grant explained that Nextera as the Blue Summit Wind Farm needs to cross our water pipeline coming from the Winston Odell Well Field. The Public Works Director met with the company and agreed on the specifications for their line crossings which will go under our big pipeline.

Commissioner Dennis made the motion to approve the agreement with Nexterra Wind Farm contingent upon final approval of the City Attorney.

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

RESOLUTION NO. 934

A RESOLUTION CALLING FOR A PUBLIC HEARING TO DETERMINE WHETHER CERTAIN IMPROVEMENTS DESCRIBED HEREIN ARE EACH DANGEROUS STRUCTURES AND A PUBLIC NUISANCE.

City Manager Grant and Community Development Director Wilkinson explained that following the recent legal opinion from the State, Texas Municipal League recommends going forward with condemnation of buildings.

Commissioner McCuiston made the motion to approve Resolution No. 934.

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

ORDINANCE NO. 1591

AN ORDINANCE CREATING SECTION 50-31; PERMITS AND BUSINESS FEES FOR AMUSEMENT AND GAMING DEVICES, OF ARTICLE II, BUSINESS OCCUPATION, PROFESSION OR TRADE OF CHAPTER 50, TAXATION AND LICENSES OF THE CODE OF ORDINANCES OF THE CITY OF VERNON, TEXAS; ESTABLISHING DEFINITIONS PERTAINING TO MACHINE RECREATION GAMES, ESTABLISHMENT OF FEES FOR AMUSEMENT DEVICES AND MACHINES; ESTABLISHING BOUNDARIES TO WHICH THE RECREATION AND AMUSEMENT ESTABLISHMENTS MAY BE SET UP WITHIN THE MUNICIPALITY OF VERNON, TEXAS; PROHIBITIONS AND OFFENSE; ESTABLISHING PENALTIES UPON CONVICTION OF VIOLATION OF THIS ORDINANCE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR AN EFFECTIVE DATE AND PUBLICATION.

City Manager Grant explained that this ordinance was suggested by Police Chief Tom Wilson, and the licensing fee will enable the city to recoup escalating costs of policing these establishments.

Commissioner McCuiston made the motion to approve Resolution No. 1591 establishing permitting and business fees for amusement and gaming devices.

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

CHAMBER OF COMMERCE FEASIBILITY STUDY

Chamber of Commerce Executive Director Carrie Hawkins explained that all aspects of the TEEKS survey have been completed and the Chamber wants to conduct a feasibility study similar to the TEEKS study. Total cost would be \$20,000 and the Chamber is requesting the City to contribute \$5,000. The feasibility study would be the next step of community development, and let the community determine a plan for the future. The Business Development Corporation, Chamber of Commerce, Wilbarger County and the City would share the cost.

Commissioner Dennis made the motion to approve \$5,000 participation in the Chamber of Commerce feasibility study funding.

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

EXECUTIVE SESSION

Commissioner Brownlow made the motion to enter Executive Session at 8:21 p.m. under Government Code Section 551.071 – Consultation with Attorney regarding Pending Litigation.

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

RESUME REGULAR SESSION

Commissioner Taylor made the motion to resume regular session at 9:01 p.m.

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

ACTION FOLLOWING EXECUTIVE SESSION

No action was approved following executive session.

ADJOURN

Commissioner McCuiston made the motion to adjourn the meeting at 9:02 p.m.

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



Jeff Bearden
Mayor

ATTEST:



Linda Byers
City Secretary