

**VERNON CITY COMMISSION
REGULAR MEETING
JUNE 24 2014**

Mayor Joe Rogers called the Regular Meeting of the Vernon City Commission to order at 6:30 p.m. in the Commission Chambers, and a quorum was declared present with Commissioner Dennis absent.

Present: Mayor Joe Rogers

Commissioners: Ruben Hinojosa, Travis Taylor, and Pat Bryant.

Staff Present: City Manager Mitch Grant, City Prosecutor Jonathan Whittsit, Police Chief Tom Wilson, Fire Chief Kent Smead, Public Works Director Bob Cochran, Community Development Director Monica Wilkinson, Finance Director Anne Garmon, Main Street Director Dan Kelleher, and City Secretary Linda Byers.

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

PUBLIC COMMENT

Dane Bonfy encouraged the Commission to change the BOD limits on Ordinance # 1638 – Discharge of Industrial Waste.

Willie King asked for assistance in cleaning up weed, overgrown lots adjacent to his church.

Scott Von Tungelyn also encouraged changes to the Industrial Discharge Ordinance.

Wendall Rozzell voiced concern about the nuisance of tickle grass in un-mowed lots and asked for the city's help.

CONSENT AGENDA

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

- A. Minutes of the Regular City Commission Meeting held on Thursday, May 22, 2014, minutes of a Special Meeting held on Monday, June 2, 2014, and minutes of the Finance Committee Meeting held on Wednesday, May 21, 2014.
- B. Second Reading of Ordinance #1637 – Renewing Curfew Regulations.
- C. Audit engagement letter with Edgin, Parkman, Fleming & Fleming, PC for the FY2014 Audit at a cost of \$21,750.00.
- D. Financial Investment Report for the month of May, 2014 with interest earned totaling \$3,006.13 and vouchers from May 1, 2014 – May 31, 2014 in the amount of \$708,248.62 and Payroll & Benefits costs totaling \$481,384.48.

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

SPECIAL MEETING TO CANVASS RUNOFF ELECTION

Commissioner Taylor made the motion to schedule a Special Meeting to canvass the runoff election on July 1, 2014 at noon.

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

ORDINANCE NO. 1638

AN ORDINANCE AMENDING ARTICLE IV, DISCHARGE OF INDUSTRIAL WASTES OF CHAPTER 54 - UTILITIES, SECTIONS 54-89; 54-90; 54-94; 54-99; 54-100 AND 54-106; OF THE CODE OF ORDINANCES OF THE CITY OF VERNON; AND PROVIDING FOR PENALTIES, A REPEALING SECTION, A SAVINGS SECTION, A RECORDING SECTION AND FOR AN EFFECTIVE DATE.

City Manager Grant explained the extended process of meetings with Tyson, and Engineer Charles Keith with Jacobs & Martin Engineers explained the processes at the wastewater treatment plant, and answered questions about operation and capacity of the plant.

Following lengthy discussion, Commissioner Taylor made the motion to approve Ordinance No. 1638- Discharge of Industrial Waste, setting the BOD (Bio-Oxygen Demand) at 300/600 sixty-six percent (66%) of the time with the same surcharge, with the stipulation that the limits could be lowered with City Commission approval following significant non-compliance by industry at the wastewater treatment plant.

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

RESOLUTION NO. 965

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 explained that the property owners have been working with the City to destroy this property, but this Resolution begins the process if they become uncooperative.

Commissioner Taylor made the motion to approve Resolution No. 965 setting a public hearing for condemnation of 3949 Paradise St.

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

REPORT ON CHANGE IN BOND RATING

George Williford with First Southwest, the City's financial advisor, explained the City's rating with Standard & Poor's was lowered from "A" to "A-". Standard & Poors stated "The downgrade reflects our view of the city's weak financial position, with no funds in available reserves, and a history of adopting structurally unbalanced budgets."

Mr. Williford recommended the level of General Fund balance is two-plus months equivalent of annual expenditures, and rating agencies discourage reliance on enterprise fund transfers to operate General Fund. These problems need to be addressed during the upcoming budget discussions.

ORDINANCE NO. 1641

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, APPROVING THE GRANTING OF AN EASEMENT AND RIGHT-OF-WAY FROM FIKES WHOLESALE, INC., APPROVING THE ABANDONMENT OF AN EASEMENT TO FIKES WHOLESALE, INC., AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED BY THE PERSON NAMED BELOW

City Manager Grant explained that Fikes Wholesale, Inc. is anticipating building their new facility on the location of the current sewer line. This ordinance would trade the current sewer easement for a new easement, and Fikes will pay to relocate the sewer line.

Commissioner Hinojosa made the motion to approve Ordinance No. 1641 approving the utility easement dedication for the travel center..

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

ORDINANCE NO. #1642

AN ORDINANCE AMENDING SECTION 54-152 OF ARTICLE V – WATER OF CHAPTER 54 – UTILITIES, OF THE CODE OF ORDINANCES OF THE CITY OF VERNON; PROVIDING FOR A REPEALING SECTION; A SAVINGS SECTION; A RECORDING SECTION; AND PROVIDING FOR AN EFFECTIVE DATE.

City Manager Grant told the Commission that people were coming from out of town to purchase water at our bulk water station because our water was priced so much lower than surrounding towns. This change in bulk water rates would put our pricing more in line with other cities.

Digital Recording on file

Commissioner Bryant made the motion to approve Ordinance No. 1642 – setting bulk water rates.

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

ORDINANCE NO. 1636

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, APPROVING THE SALE OF THE PROPERTY AT 704 BENTLEY STREET, APPROVING THE SALES PRICE, AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED TO THE PERSON NAMED BELOW

City Manager Grant explained that Fikes Wholesale, Inc. had submitted a bid for 704 Bentley in the amount of \$1,080, which is the amount owed on the tax roll.

Commissioner Taylor made the motion to approve Ordinance No. 1636 – accepting the bid for 704 Bentley Street with the stipulation of approval of the other entities.

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

FIKES WHOLESALE USE OF 704 BENTLEY DURING CONSTRUCTION

City Manager Grant informed the Commission that Fikes Wholesale had requested use of the property at 704 Bentley as a staging area during construction of the new travel center, pending final approval of sale of the property.

Commissioner Bryant made the motion to approve Fikes Wholesale use of the property contingent upon verbal approval from other taxing entities, pending legal review.

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

There was a temporary recess of five minutes.

ORDINANCE NO. 1643

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, APPROVING THE SALE OF THE PROPERTY AT 1102 HOUSTON STREET, 1124 HOUSTON STREET AND 3007 LUNA STREET, APPROVING THE SALES PRICE, AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED TO THE PERSON NAMED BELOW

Digital Recording on file

City Manager Grant explained that these are properties owned by the taxing entities following a Sheriff's Sale when the properties did not receive the minimum bid.

Commissioner Taylor made the motion to approve Ordinance No. 1643 – accepting bid for sale of tax property at 1102 Houston Street, 1124 Houston Street and 3007 Luna Street.

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

PUBLIC HEARING REGARDING BENTLEY STREET PAVING GRANT

Mayor Rogers opened the public hearing.

There was no public comment, so the public hearing was closed.

RESOLUTION NO. 960

**A RESOLUTION APPROVING AN APPLICATION
FOR FUNDING THROUGH THE
TEXAS DEPARTMENT OF AGRICULTURE
TEXAS CAPITAL FUND INFRASTRUCTURE GRANT
PROGRAM**

City Manager Grant explained that the City made application to the Texas Department of Agriculture to rebuild Bentley Street beside the new Fikes Travel Center. This will be an improvement to the City Infrastructure with a concrete street, at no cost to the City, and should be completed by the time the travel center re-opens.

Commissioner Hinojosa made the motion to approve Resolution No. 960 making application to TDA Grant for Bentley Street reconstruction.

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

RESOLUTION NO. 966

**A RESOLUTION AUTHORIZING CONTINUED
PARTICIPATION WITH THE ATMOS CITIES STEERING
COMMITTEE; AND AUTHORIZING THE PAYMENT OF
FIVE CENTS PER CAPITA TO THE ATMOS CITIES
STEERING COMMITTEE TO FUND REGULATORY AND
RELATED ACTIVITIES RELATED TO ATMOS ENERGY
CORPORATION**

City Manager Grant informed the Commission that this would continue the City's participation from prior years. It is a consortium of 150 cities which undertakes activities on behalf of its city members to participate in rate cases, rulemaking and legislative efforts that impact natural gas rates for city customers.

Digital Recording on file

Commissioner Taylor made the motion to approve Resolution No. 966 – Continuing participation in Atmos Cities Steering Committee.

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

APPOINTMENT TO BOARD OF ADJUSTMENT

City Manager Grant noted that a vacancy on the Board of Adjustment received one application from current Alternate Pete Guerrero and another application from Mark Haynes. He recommended moving Pete Guerrero from alternate to full member and appointing Mark Haynes as Alternate Board Member.

Commissioner Bryant made a motion to make Pete Guerrero as Board Member and Mark Haynes as Alternate. Commissioner Hinojosa seconded the motion, motion failed.

Mayor Rogers asked for a vote to appoint Pete Guerrero as Board of Adjustment Member. All Commission Members voted aye on an individual voice vote.

Mayor Rogers asked for a vote to appoint Mark Haynes as Alternate Board of Adjustment Member. All Commission Members voted aye on an individual voice vote.

DIRECTIVE TO PLANNING AND ZONING COMMISSION VEGETATION CONTROL IN APPEARANCE CORRIDOR

City Manager Grant explained that he has been approached by both past and present Commission members regarding growth of vegetation in our curb and gutters and on downtown sidewalks. He recommends two options:

- Amend Appearance Corridor Zoning Overlay. The Commission would need to direct the Planning and Zoning Commission to develop a regulation and present it at a later meeting.
- Amend general rules for the entire city, and would be up to staff to develop a set of rules.

Following a short discussion, Commissioner Hinojosa made the motion to approve a directive for Planning and Zoning Commission to establish vegetation control in the appearance corridor.

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

BUDGET WORK SCHEDULE AND GOALS

City Manager Grant outlined the budget process and work schedule, and asked the members to give staff some directives and goals.

Commissioner Bryant noted that the streets have been neglected, and want to get back on a seal coat schedule.

Commissioner Taylor wants to look strongly at replacing the waterline from the Winston Water Field into the City.

Digital Recording on file

Commissioner Hinojosa would like to look at paving on the east side of town, parking at Kid League Park, and building cash reserves.

Mayor Rogers agrees with all of these comments, but also wants to pay attention to parks and recreation, continue working on downtown and continue cleanup of dilapidated structures.

Commissioner Taylor made the motion to approve the budget work schedule and goals.

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

EXECUTIVE SESSION

Commissioner Taylor made the motion to enter Executive Session at 9:13 p.m. under Government Code Section 551.072 – Deliberation concerning Real Property.

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

RESUME REGULAR SESSION

Commissioner Taylor made the motion to resume regular session at 9:47 p.m.

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

ACTION FOLLOWING EXECUTIVE SESSION

Commissioner Taylor made the motion to pursue options on the water situation.

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

ADJOURN

Commissioner Taylor made the motion to adjourn the meeting at 9:49 p.m.

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



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary

**VERNON CITY COMMISSION
SPECIAL MEETING
JULY 1, 2014**

Mayor Joe Rogers called the Special Meeting of the Vernon City Commission to order at 12:00 p.m. in the Commission Chambers, and a quorum was declared present.

Present: Mayor Jeff Bearden
Commissioners: Russell Hinojosa, Travis Taylor and Pat Bryant.

Staff Present: City Manager Mitch Grant, Finance Director Anne Garmon, and City Secretary Linda Byers.

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

CANVASS ELECTION RETURNS OF GENERAL ELECTION

Official Results of the June 28, 2014 Runoff Election:

Commissioner, Place 1:		
Danny McMahan	394 votes	66.89%
Randy Boyd	195 votes	33.11%

RESOLUTION NO. 967

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, DECLARING THE RESULTS OF THE CANVASS FOR THE ELECTION RETURNS OF THE RUNOFF ELECTION OF JUNE 28, 2014 FOR THE PURPOSE OF ELECTING A MEMBER OF THE VERNON CITY COMMISSION, PLACE 1 FOR A TERM OF TWO YEARS.

Resolution No. 967 declares Danny McMahan elected Commissioner, Place 1.

Commissioner Taylor made the motion to approve Resolution No. 967.

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

ADMINISTER CERTIFICATES OF ELECTION

City Secretary Linda Byers administered the Oath of Office to newly-elected Commissioner, Place 1 Danny McMahan, who immediately took their positions on the City Commission.