

**VERNON CITY COMMISSION
REGULAR MEETING
AUGUST 26, 2014**

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

Present: Mayor Joe Rogers

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

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

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

PUBLIC COMMENT

There was no Public Comment.

CONSENT AGENDA

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

- A. Approve Minutes: Attached are copies of the Regular City Commission Meeting held on Tuesday, July 22, 2014, a Special Meeting Held on Monday July 28, 2014, a Special Meeting Held on Tuesday, August 5, 2014, a Special Meeting held on Thursday, August 14, 2014, a Special Meeting held on Tuesday, August 19, 2014 and Minutes of the Finance Meeting held on Monday, July 21, 2014.
- B. Approve Second Reading of Ordinance #1644 – Amending Zoning Regulations Regarding Billboards.
- C. Approve Second Reading of Ordinance #1645 – Amending R2 Zoning Allowing Duplex Construction.
- D. Approve Financial Investment Report, Vouchers, and Payroll & Benefit Expense. July 1, 2014 – July 30, 2014.

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

PUBLIC HEARING
FISCAL YEAR 2014-2015 BUDGET

Mayor Rogers opened the Public Hearing.

Sid Beebe is concerned about change in tourism funding, noting that a change direction in how tourism funding is spent could impact sales tax revenue.

Donna Moore read a list of activities and promotions by chamber tourism.

Irl Holt thinks they are undoing something that is going great and don't fix something that isn't broken.

Gene Tyra is concerned about taking funding from Chamber, and they will not have anyone promoting Vernon.

Randy Boyd said that the Commission should do what's right.

Carrie Hawkins presented economic impact numbers that prove Vernon is growing and prospering, and she urged the Commission to consider amending the Chamber contract to be mutually beneficial to the City and Chamber.

With no other public comment, Mayor Rogers closed the public hearing.

ORDINANCE NO. 1647

AN ORDINANCE ADOPTING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2014, AND THROUGH SEPTEMBER 30, 2015, FOR THE CITY OF VERNON; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGETS; ESTABLISHING AND ADOPTING AN OFFICIAL CLASSIFICATION PLAN FOR ALL POSITIONS AND ABOLISHING ALL POSITIONS NOT LISTED IN SAID BUDGETS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; DECLARING AN EMERGENCY AND PROVIDING FOR AN EFFECTIVE DATE.

Following comments by Commissioner Bryant concerning expenditures in Fund 30 (Hotel/Motel Tax Funds), City Manager Bryant distributed a revised Fund 30 Budget that would reduce employee costs and increase funding for unscheduled events.

Following discussion about expenditures in Fund 30, Commissioner Taylor made the motion to approve Ordinance No. 1647 – adopting the City Budget for Fiscal Year 2014-2015 with the changes in Fund 30.

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

ORDINANCE NO. 1648

AN ORDINANCE APPROVING THE 2014 TAX ROLL; LEVYING AD VALOREM TAXES ON ALL TAXABLE PROPERTY IN THE CITY OF VERNON, TEXAS, FOR THE YEAR 2014; PROVIDING FOR THE MAILING OF TAX STATEMENTS; FIXING THE DUE DATE AND TIME OF PAYMENT THEREOF, AND PROVIDING FOR THE COLLECTION OF TAXES, A SAVINGS CLAUSE, A REPEALING CLAUSE, RECORDING, DECLARING AN EMERGENCY, AND EFFECTIVE DATE.

Commissioner Hinojosa made the motion to approve Ordinance No. 1648 setting the tax rate for 2014.

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

ORDINANCE NO. 1649

AN ORDINANCE AMENDING SECTION 54-151(A) OF ARTICLE V – WATER OF CHAPTER 54; AMENDING SECTION 54-152 OF ARTICLE V – WATER OF CHAPTER 54; SECTION 54-656 OF ARTICLE III – SEWERS OF CHAPTER 54; AND SECTION 54-62 OF ARTICLE III – SEWERS 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 explained that this ordinance includes an \$8 increase in water and \$5.25 increase in sewer, with the majority of the increase in the minimum rate, which would be a \$13.25 increase.

The total revenue increase is approximately \$836,300. This revenue increase would make up for loss of volume sales.

Following discussion about the need for a water rate increase for future pipeline replacement, Commissioner Bryant made the motion to approve Ordinance No. 1649 amending water and sewer rates.

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

TERMINATION OF TOURISM CONTRACT

Mayor Rogers stated that he believes that the Chamber will be Ok, and we owe it to the public to talk openly and publicly about all business relating to City tax money.

Commissioner Taylor made the motion to approve the termination of the Tourism Contract with the Chamber of Commerce.

Commissioner McMahan seconded the motion. Following discussion about the city finding a way to help the Chamber or possibly making a new contract, the motion was approved unanimously.

ORDINANCE # 1646

AN ORDINANCE CREATING THE NEIGHBORHOOD OFFICE DISTRICT, DEFINING THE DISTRICT PURPOSE, STANDARDS, PERMITTED USES, REGULATIONS AND PROVIDING FOR CONFLICT, VALIDATION, RECORDING AN EFFECTIVE DATE.

Community Development Director Wilkinson explained that the changes discussed at the July 22 Regular Meeting had been made to the Ordinance; more concise language was added to the section pertaining to Special Exemption Uses and wording was changed from "opaque" to "privacy" when describing the type of fence required.

Commissioner McMahan made the motion to approve Ordinance No. 1646 with the amendment to change the wording to prohibit restaurants.

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

**AMENDED
ORDINANCE NO. 1629**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, APPROVING THE SALE OF THE PROPERTY AT 2419 WANDERER STREET, APPROVING THE SALES PRICE, AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED TO THE PERSON NAMED BELOW

Community Development Director Wilkinson explained that this tax property was originally approved to be sold in February for a bid that was less than the amount owed for taxes. Since then, the County denied the sale and as a result the sale of the property to the original bidder was denied.

The City has now received a bid in the amount of \$3,940 from Gary Wilson. Since this bid is the amount that was owed in back taxes, only the City will need to approve this bid.

Digital Recording on file

Commissioner Hinojosa made the motion to approve Amended Ordinance No. 1629 for the Sale of 2419 Wanderer.

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

AMBULANCE SERVICE CONTRACT WITH NTSH

Fire Chief Smead explained that the City has had a contract with North Texas State Hospital for three years. This new contract will pay for ambulance transports at the Medicare Fee Schedule with a new yearly maximum amount of \$10,000.

Commissioner Taylor made the motion to approve the Ambulance Service Contract Renewal with North Texas State Hospital.

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

HOUSING AUTHORITY BOARD APPOINTMENTS

City Secretary Byers explained that Housing Authority Executive Director Sherry Johnson recommends re-appointment of current Board members James Foerster, Linda Kennedy and George Pattison to another two year term.

Commissioner Hinojosa made the motion to approve the Housing Authority Board Appointments.

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

BUSINESS DEVELOPMENT CORPORATION BOARD APPOINTMENTS

City Manager Grant noted that there were only two nominations received before the meeting: George Daigle and Grady Stowe.

Commissioner Taylor made the motion to approve these BDC Board Appointments.

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

BUSINESS DEVELOPMENT CORPORATION BUDGET

Business Development Corporation Management Consultant Rick Hardcastle explained the changes from last year's budget.

Commissioner Taylor made the motion to approve the BDC Budget.

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

IRREVOCABLE LETTER OF CREDIT – BENTLEY STREET

City Manager Grant explained that this was paperwork that was needed to follow through with grant requirements for rebuilding Bentley Street. This irrevocable letter of credit insures that if jobs are not created by Fikes Wholesale at the Travel Center the City will repay the grant.

Commissioner McMahan made the motion to approve the Request for an Irrevocable Letter of Credit Regarding the Bentley Street Grant.

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

EXECUTIVE SESSION

Commissioner Taylor made the motion to enter Executive Session at 7:44 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 8:41 p.m.

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

ACTION FOLLOWING EXECUTIVE SESSION

Commissioner Taylor made the motion to approve groundwater lease agreements pending final legal review and other potential lease agreements.

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

ADJOURN

Commissioner Taylor made the motion to adjourn the meeting at 8:42 p.m.

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



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary