

**VERNON CITY COMMISSION
SPECIAL MEETING
AUGUST 11, 2015**

Mayor Joe Rogers called the Special Meeting of the Vernon City Commission to order at 12:00 pm at City Commission Chambers, and a quorum was declared present. Commissioner Danny McMahan was absent.

Present: Mayor Joe Rogers

Commissioners: Ruben Hinojosa, Travis Taylor and Britt Ferguson.

Staff Present: City Manager Joe Jarosek, Police Chief Tom Wilson, Public Works Director Darell Kennon, Finance Director Anne Garmon, Community Development Director Monica Wilkinson, Municipal Judge Lori Adams and City Secretary Linda Byers.

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

CONTRACT FOR FISCAL 2014-2015 AUDIT

City Manager Jarosek and Finance Director Garmon explained that the final cost of the audit depends on the scope of the work required. If the amount of grant funds received exceeds \$500,000, we will be required to conduct a Single Audit, which is a more detailed audit than is normally required by federal standards.

Following discussion of the requirements of a single audit, Commissioner Hinojosa made the motion to approve a contract with Edgin, Parkman, Fleming and Fleming for Fiscal Year 2014-2015 audit.

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

FY 2015-2016 BUDGET WORK SESSION

Utility Billing:

- Salary is budgeted to continue the furlough at City Hall.
- The increased costs for the new billing format is a required mandate and protects customer privacy.
- Special Services includes CPA and audit costs.

Water - Wastewater Collections:

- Budgeted Bulk Water Purchase is the payment for the Spears Lease, and was moved from the line item Water Wells.

Digital Recording on file

- Nitrate Plant budget increased to include replacing resin and drain bars as well as pumps and meters. This increased cost brings the Nitrate Plant back to three resin tanks for a three million gallon water production capacity. There was discussion of keeping a set of drain bars on hand.
- Water Works Mains budget increased because \$44,000 was moved from capital expense to repairs.
- Water Wells budget includes rehabbing four wells with new casing and electrical boxes.
- Booster Stations budget increased due to installing a transfer switch for pumps and a new control panel.

Wastewater Treatment:

- A sewer treatment bar screen replacement is included (the old one is 29 years old). There was discussion of the purpose and problems with the existing bar screen.
- Machinery and Tools budgeted \$20,000 for a new generator for lift stations during power outages.
- Special Services increased for additional testing for re-permitting. This amount could be lowered to \$60,000.
- Lab Supplies increased for required TCEQ testing for E-coli.
- Sewer Treatment Plant increased for a grinder.

Sanitation:

- Street Sweeper expenses were moved to Utility Fund from the General Fund Street budget.
- A new street sweeper would cost \$208,000, but was not included.
- Dump Grounds budgeted \$3,000 for a new approach to the transfer station.

Special Items includes principal & interest for non-bonded debt.

Debt Service

- Budgeted for Bonded Debt and the EBT loan.
- Staff is working with the CPA for correct debt entries.

PLACING A PROPOSAL TO ADOPT A TAX RATE ON FUTURE AGENDA

Mayor Rogers invited Tyson Manager Dane Bonfy to address the impact of increased taxes on industry. Mr. Bonfy explained that they must keep costs down to be competitive and they are concerned about a tax increase of an estimated \$65,000 following layoffs by Tyson last year.

Following discussion of the proposed tax rate, Commissioner Ferguson made the motion to approve placing a proposal to adopt a tax rate of \$0.56020 on the agenda of the Regular City Commission Meeting on September 22, 2015.

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

HOLD PUBLIC HEARINGS ON THE PROPOSED TAX RATE

Commissioner Ferguson made the motion to approve holding public hearings on the proposed tax rate on August 25, 2015 and September 8, 2015 at 5:30 P.M. in City Hall.

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

City Secretary Byers clarified that the Regular City Commission of August 25 will begin at 5:30 pm and the public hearings will be part of the regular agenda.

ADJOURN

The meeting was adjourned at 1:04 p.m.



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary