

September 25, 2014

The Graham City Council met in REGULAR SESSION in the Council Chambers at City Hall at 9:30 a.m. on Thursday, September 25, 2014 with the following members present:

MEMBERS: Mayor: Jack Graham
 Mayor Pro-Tem: Pam Scott
 Council Member: Spencer Street III
 Brint Albritton
 Darby Brockway
 City Manager: David Casteel
 City Secretary: David Maddy
 Police Chief: Tony Widner - absent
 Assistant Police Chief: Brent Bullock
 Fire Chief: Dennie Covey

VISITORS: Warren Bachman, Linda Gonzalez, Hester Bender, Robert Womack, Kelley Hudson, Gordon Drake, Dick Bundy, Jerry Overton, Bruce Street, Michelle Hall, Diann Grissom, Sharon Kirkwood, Jennifer Conway, Sandra Helvey, Jason Cottongame, Franke Herpeche, Jim Helvey, Teresa Bishop and Casey Holder.

ORDER: Mayor Jack Graham called the meeting to order and opened with prayer.

PUBLIC FORUM:

Warren Bachman addressed Council regarding the ATV Park saying that he lives ½ mile away and will hear the noise. He also said that neighbors had planned a housing development and the park would affect the property values. He questioned the financial operations and the budget. Mayor Graham explained that a public hearing will be held prior to any decision and that the City had not even completed any studies on the project, much less financials and budgets. Linda Gonzalez who has addressed Council before add her concern about fires and the frustration of not being able to make any plans, not knowing what will happen. She wondered about other public uses for the land mentioning an equestrian park and bike/ hike trails. Jerry Overton said he had land nearby and was also concerned about noise. He supports the City having such a park, just not in that location. Spencer Street thanked those suggesting other uses for the land and Mayor Graham agreed.

MINUTES APPROVED:

Minutes from the August 28, 2014 regular meeting were approved 5-0 on a motion from Darby Brockway and a second from Brint Albritton.

CONSIDER RECOGNIZING DERRELL DODSON FOR VOLUNTEER SERVICE TO THE CITY:

Mr. Dodson is stepping down as chair of the auditorium board. His service to the city in the capacity has been very valuable. Mr. Dodson took a personal role in the oversight of the reconstruction of the auditorium which is an asset to the city and region. Derrell thanked the donors and other board members and gave credit for the success to them.

CONSIDER BIDS FOR VISITOR CENTER CONSTRUCTION:

Dick Bundy, architect, has received bids for the visitor center construction as authorized in previous meetings. Bids are currently under review. A summary of bids and a recommendation for award will be presented at the meeting. One bid was received. Construction costs were reduced to \$683k which does include \$30,000 in contingencies for unknowns. The total project will be \$753k. The bid bond and performance bond requirements may have kept some bidders away as well as this being a busy time for contractors as the economy improves. The contractor is from Wichita Falls. Pam Scott made the motion to approve the bid, Spencer Street made the second and motion passed 5-0.

PUBLIC HEARING CONCERNING PROPOSED FY 2015 BUDGET:

A public hearing was being held for public comment on the proposed budget for the City of Graham for the upcoming fiscal year beginning October 1, 2014 and running through September 30, 2015.

Mayor Graham opened the Public Hearing at 10:03 a.m. There were no comments. He closed the Public Hearing at 10:04 a.m.

CONSIDER ORDINANCE # 1028 ADOPTING THE FY 2015 APPROPRIATIONS BUDGET:

This budget is for the operations of the City for the fiscal year beginning October 1, 2014 and running through September 30, 2015. Staff recommended approval. David Maddy recapped the budget for Council. Pam Scott made the motion to approve Ordinance #1028, Darby Brockway made the second and motion passed 5-0.

CONSIDER ORDINANCE # 1029 ADOPTING THE PROPERTY TAX RATE FOR 2015:

A property tax rate of 0.59804 / \$ 100 valuation has been proposed by staff in development of the FY 2015 budget. This is a reduction in rate from the previous year. Two public hearings were held, with no comment. Staff recommended approval. Pam Scott made the motion to approve Ordinance #1029, Spencer Street made the second and motion passed 5-0.

CONSIDER ORDINANCE # 1030 ADOPTING WATER RATES:

Draft water rates were presented at a previous meeting. The rates were transmitted to wholesale customers in accordance with settlement agreements more than 30 days prior to this vote. A comment was received from Graham East WSC concerning an erroneous figure for monthly meter fees. This error was corrected. Staff recommended approval. There will be a minimum impact on

the lowest users. Darby Brockway made the motion to approve Ordinance #1030, Brint Albritton made the second and motion passed 5-0.

CONSIDER ORDINANCE # 1031 AMENDING SECTION 2-60 OF THE CODE OF ORDINANCE CONCERNING EARNED VACATION LEAVE FOR EMPLOYEES:

Currently, all employees earn the same vacation leave regardless of years of service. This action would allow employees to earn more leave with increased years of service. The cash impact of this action is minimal and has been included in the budget developed. Managers will closely manage leave to minimize overtime requirements. Staff recommended approval. Spencer Street made the motion to approve Ordinance # 1031, Pam Scott made the second and motion passed 5-0.

CONSIDER ORDINANCE # 1032 ADJUSTING THE FY 2014 FOR ACTUAL EXPENDITURES:

Actual costs of some items varies from budget through the year. This item adjusts to actual expenditures. Staff recommended approval. Darby Brockway made the motion to approve Ordinance # 1032, Pam Scott made the second and motion passed 5-0.

CONSIDER DESIGNATING REPRESENTATIVES ON CITY TEXSTAR AND LOGIC INVESTMENT ACCOUNTS:

This action would authorize two city council members as signatories for these accounts. The action would also replace the previous city manager with the current city manager for signature authority. Two signatures are required for any transaction. Having three designated signatories allows for action in the event of a person being unavailable. Staff recommended approval. Mayor Graham and Brint Albritton were nominated to serve on the investment committee and to act as signatories. Pam Scott made the motion to approve the nominations, Spencer Street made the second and motion passed 5-0.

CONSIDER RECEIVING THE FY 2013 PARTIAL AUDIT:

The designated independent audit has been performed and recommended for council receipt. This audit is a partial audit as it does not include an audit of the Hospital which was required for a complete audit in FY 2013, beginning October 1, 2012 and ending September 30, 2013. Additional action will be required for receipt of the complete audit when the Hospital Audit is provided for that FY. Staff recommended approval. Bob Womack with Davis Kinard and Co., PC reviewed the highlights of the audit report saying that the final opinion will be expressed when the Hospital audit is received. He noted the increase in new capital, the continued negative fund balance in the General Fund, the increase in net income and the \$10 million equity in the Enterprise Funds. He commented on the delay in getting the banks reconciled and the incomplete reconciliations of accounts receivable and internal due to/due from accounts. He commented that management had been diligent in dealing with the deficiencies. Pam Scott made the motion to accept the draft audit, Spencer Street made the second and motion passed 5-0.

CONSIDER APPROVING THE USE OF FIREMEN'S MEMORIAL PARK AND STREETS IN THE SPIVEY HILL SUBDIVISION FOR A BENEFIT CHALLENGE RUN:

Jamie Epperson, DDS is organizing a challenge run through the park and up Spivey Hill to benefit an orphanage in Haiti and in honor of Bill Spivey. The run is planned for March 28. Staff recommended approval contingent on the event coordinating with TxDOT for the portion of the event along SH 67 and FM 61. Pam Scott made the motion to approve the event, Spencer Street made the second and motion passed 5-0.

CONSIDER APPROVING A SETTLEMENT AGREEMENT WITH ONCOR FOR PAST OVERCHARGES ON STREET LIGHTS

An auditor has reviewed the street lights in Graham and other communities in this area and has determined that Oncor has overcharged the City of Graham \$15,062.14 since deregulation for this service. With approval this action would authorize the city manager to sign the agreement and Oncor to issue a check for payment within 30 days. Staff recommended approval. Gordon Drake with Oncor explained that their audit of charges went back seven years. Brint Albritton made the motion to approve the City Manager to sign the agreement, Darby Brockway made the second and motion passed 5-0.

REPORTS:

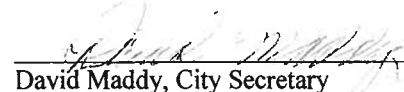
Chief Widner said that there have been twelve applications for the openings and for the reserve unit. Chief Covey reported three small fires in August and said he was still working on a final bid for the new fire truck. He should be able to present one at the next Council meeting. Mayor Graham commended Randall Dawson's crew who worked all weekend fixing water line breaks. David Casteel report the lake level at 1061.16' or 41.5%. It was 1065.4' at this time last year. 1075' is full. Jerry David, Emergency Management Coordinator, presented a table top exercise with each department head responding to the described disaster. Council took part and made comments and asked questions throughout the exercise.

ADJOURNMENT:

On a motion by Spencer Street, a second from Brint Albritton and a vote of 5-0 the Council meeting was adjourned.


John Chiles Graham, Mayor

ATTEST:


David Maddy, City Secretary