

REGULAR CITY COUNCIL MEETING

MARCH 14, 2017

5:30 P.M.

COUNCIL CHAMBER, 110 NORTH 8TH STREET
GATESVILLE, TEXAS 76528

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS

1) CALL TO ORDER AT 5:30 P.M. THIS 14th DAY OF MARCH, 2017

PRESENT: Mayor Chumley, Council Members, Viss, Mitchell, Rainer, and Suson

REGRETS: Councilmembers Jack Doyle and Randy Hitt

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, City Attorney Sandy Gately, Brenda Kipphen, Ollie Inmon, David Bullard, Nathan Gohlke, Christopher R. Cato, and Roger Miller

2) APPROVAL OF MINUTES FROM PREVIOUS MEETING

Motion by Rainer, seconded by Viss, all voting "Aye" to approve Resolution Number 2017-17

RESOLUTION NUMBER 2017-17 - approve Minutes of February 28, 2017 Regular City Council Meeting.

3) HEAR VISITORS/CITIZENS FORUM: AT THIS TIME, ANY PERSON WITH BUSINESS BEFORE THE COUNCIL NOT SCHEDULED ON THE AGENDA MAY SPEAK TO THE COUNCIL FOR A MAXIMUM OF THREE (3) MINUTES. NO FORMAL ACTION CAN BE TAKEN ON THESE ITEMS AT THIS MEETING.

David Bullard of 614 Golf Course Road came forward to address the Council of a dog barking issue that has been ongoing with his neighbor's dogs for the last two years. Mr. Bullard said he has been calling the Police Department and feels that nothing is being done. Mr. Bullard described several incidents and said he was worried for his little girl.

Mayor Chumley asked if he had filed a formal complaint? Mr. Bullard said yes he had. Mayor Chumley said the court will go forward with his complaint.

4) CONSIDER RE-APPOINTMENT OF MEMBERS TO THE CONSTRUCTION BOARD OF ADJUSTMENT AND APPEALS

City Manager William H. Parry III explained that Ordinance 2001-07 approved in April of 2001 established a Construction Board of Appeals which allows the owner of a building, structure or service system, who is trying to build or remodel a structure, the ability to appeal a decision of the City's building inspector. The Board would decide whether to allow a variance on the code in question. No issues have been brought before the Board in past years but there needs to be a Board in place if needed. The proposed Board is the same as last year with seven Places and two Alternates with qualified professionals filling each place. However, City staff recommends the proposed Board be set up on a staggered basis so every year all nine members are not being replaced. All the proposed individuals are professionals that not only conduct business within the City but have expertise in construction trades and skills. It is recommended that the Council approve the nominations as presented for the Construction Board of Appeals and set up for appointment/re-appointment on a staggered basis for two year terms.

Motion by Mitchell, seconded by Suson, all voting "Aye" to approve Resolution Number 2017-18

RESOLUTION NUMBER 2017-18 - approve the following re-appointments to the Board of Adjustment and Appeals and set up on a staggered basis: Places #1, 3, 5, 7 and alternate 1 will start on a two year basis and Places #2, 4, 6 and Alternate 2 will start on a one year basis. After the initial one (1) year term for Places 2, 4, 6, and alternate 2, all terms will be two (2) year terms.

Place 1: Jim Baize
Place 2: Johnny Benson
Place 3: John Mach
Place 4: Jackie Dixon
Place 5: Hershal Mooney
Place 6: Tim Martin
Place 7: Jerry Wright

Alternates: 1. Stacy Summers
2. Terry Williams

5) CONSIDER REFUNDING THE SERIES 2008 CERTIFICATES OF OBLIGATION FOR INTEREST RATE SAVINGS AND AUTHORIZING THE CITY STAFF AND THE CITY'S FINANCIAL ADVISOR TO BEGIN WORK ON THE REFUNDING FOR PRESENTATION AT A FUTURE CITY COUNCIL MEETING

City Manager Parry stated that this consideration to refund the Series 2008 Certificate of Obligation for Interest Rate Savings is leaning towards the probability that the Federal Open Market Committee will raise the interest rates 25 basis points in the next few days. Initially, three interest hikes were anticipated this year but new information indicates that there could possibly be four interest rate hikes probably one quarter point each time. As a result, when interest rates go up, the price to secure debt bonding goes up significantly with that interest rate increase. Tonight the Council is not being asked to refinance debt but to authorize the City staff and City's Finance Advisor to begin work on the refunding for presentation at a future City Council meeting. City Manager Parry then briefed the Council with a power point presentation regarding the possible re-funding of the 2008 Water System Phase 1 Certificates of Obligation for Interest Rate Savings. Mr. Parry said that in 2008 the City took out Phase 1 of a series of bond totaling \$5.13 million dollars in taxable bonds because it was tied to a federal contract at Fort Hood, which was to begin Phase 1 improvements to the Gatesville Water System. Those bonds have a maturity date of September 2036. At that time Municipal debt was a bit hard to obtain so the coupon rates ranged from a low 5.9% to a high of 7.0%. Bonds are not callable until ten years after issuance so there will be one year that the bonds will have to be set aside and can't be sold with debt then qualified for refinancing in 2019. Those funds have already been set aside in the budget to pay for the principal. With interest rates expected to increase in 2017, there is a possible "window" to re-fund (refinance) the debt with the same maturity and save approximately \$30,000 in interest each year. City Manager Parry discussed the Federal Open Market Committee expectations, forecasts, and what it would look like for the City if no action was taken, and what the projected savings would be if the City re-funded. City Manager Parry outlined the timeline and process that City staff and the City's financial advisor would follow if the Council authorized work on re-funding the bonds with the final results and presentation to the Council being on April 25, 2017. Following the presentation there was discussion and questions with Mayor Chumley then asking if there was a motion.

Motion by Viss, seconded by Mitchell, all voting "Aye" to approve Resolution Number 2017-19

RESOLUTION NUMBER 2017-19 - approve authorized the City Staff and City's financial advisor to begin work on re-funding the Series 2008 Certificates of Obligation for interest rate savings and presenting the proposal and strategy at the April 25, 2017 Council meeting.

6) CITY MANAGERS REPORT

- President Trump will submit his Fiscal Year 2018 budget in the next few weeks and there are indications that all the Community Development Block Grants would be done away with which will have a negative impact on planning the City's future infrastructure projects.
- Pre-Bid meeting tomorrow regarding the Live Oak Infrastructure Rehabilitation Project with selection of the contractor taking place at the next Council meeting on the 28th.
- The Solar Array Project. Preparation of a Request for Proposal for a construction manager at risk is the first step of this approved project. City staff is seeking assistance from the State Energy Conservation Office (SECO) for scope wording.
- Energy Savings Performance Contract. All the approved equipment is currently being ordered with the upgrade implementation commencing very soon.

- Warrant Roundup 2017. Very successful – especially as compared to previous years. \$28,284.98 is the cash collected this year with certain portions going to the State. There will be additional funds collected as many of the clients only paid half of their fine and set up a payment plan with the Municipal Court.
- Bank Depository Request for Proposals. Texas First State Bank has been the City's depository for the past five years. It is now time to request proposals for the City's depository for 2017-2020, with two year option years based on performance. The Request for Proposals has been released with bids due by March 31st. Council will be asked to approve the depository institution at the April 11th meeting.
- Leon River Bridge. The Leon River Bridge nomination for National Record of Historic Places was approved by the National Park Service and will become effective at the end of February. News Station KWTX conducted a news interview yesterday which was a story on where the City is with the bridge and what will happen going forward. TxDOT area engineer for Gatesville, Charles Smith, will meet with the City Manager next week to discuss the schematics of the replacement bridge.
- Household Hazardous Waste Day Statistics.
Parry thanked everyone who participated and asked if anyone had photos from that day so he can forward to Central Texas Council of Governments (CTCOG).
Reported:
 - 342 participants compared to 333 last year.
 - The top three materials brought were the same as last year: Tires, Paint and Televisions. \$2,102.00 for tires was collected.
 - 32 five gallon buckets of paint were given away.
 - Advertising Strategy
 - 54 Volunteers with 287 hours.
- Pointed out future Council meeting agenda topics and Mayor Chumley stated that anyone can suggest a workshop if they feel one would be helpful.
- Great American Defense Communities (ADC). Gatesville has been approved to be included as one of the cities that has provided support to the soldiers and family members stationed at Fort Hood. A ceremony to recognize the Great American Defense Communities (ADC) in the region will be held on Saturday, April 22, 2017 at 9:00 a.m. in the Anderson Student Center on Central Texas College. All of the elected officials will be invited. In addition to this ceremony there will be an unveiling of the new portion of US 190 from Copperas Cove to Belton, which will be known as Interstate 14.
- 85th Texas Legislature Legislative Update.
Texas Municipal League (TML) have been tracking 995 + bills in the 85th Legislature with the following bills being considered and if passed would impact municipalities:
 - Revenue Caps/Property Tax Reform which would reduce rollback rates from 8% to 4%. An increase greater than 4% would require an election in November. This bill only addresses municipal property tax rates not Independent School Districts.

House Bill 345 is also being considered which would reduce the rollback rate from 8% to 5%.

Mr. Parry compared three cities to the City of Gatesville. The total tax burden to Gatesville's residents is \$2.13 per \$100. This amount is shared with Coryell County and Gatesville Independent School District and the City's Share is the smallest of all of the other municipalities.

General Fund Revenue is funded by property taxes, sales tax, transfers from the Enterprise Fund and other sources such as fees, fines and sale of city property. General Fund supports city administration, Police, Fire, Streets, Library, Trash collection, Code Enforcement, Parks/Recreation and Convention and Visitor's Bureau/Visitor's Center. Less money received in these areas would result in hard decisions to be made during budget time.

- Pre-emptive Bills – which would mean every city in Texas would have the same rule; such as short term rentals, plastic bag bans, ballot propositions (whether a city has a charter or not), restricting ride-sharing.
- Annexation. Voters living in the area would need to approve annexation and number of homes that can be annexed would change from 100 to 50.
- Budgets/Debt would affect cities by increasing funds for bullet proof vests but reducing funding for Police training. Park grants would be severely cut, bond elections would be more complicated, and some bills would prevent cities from using lobbyists (TML).
- Eminent Domain currently is addressing pipelines – but the feeling is that cities would be next.
- Sanctuary cities would cut Police grant funding if a city hasn't passed an ordinance that would deputize the Police Department to support Immigration and Customs Enforcement (ICE).

City Manager Parry said he would be happy to set up a legislative day in Austin if any of the Council would be interested in attending.

Councilmember Comments:

Viss: Update on the Fleet Management Process?

Parry: Some vehicles are sitting in Temple waiting on delivery and some are still in production. City staff is waiting on all of them to delivered to make the process less complicated and also to wait to pay on them all at one time. The Police Department vehicles will take a little longer because they must be upfitted with their equipment.

Rainer: Update on the “Keep Gatesville Beautiful” meeting?

Parry: 35 to 40 people attended the meeting which was a great turnout. Convention Visitors Bureau Director, Cheri Shepherd conducted the meeting and is coordinating a follow-up meeting with the citizens who showed interest in a leadership role in this proposed organization to discuss how to organize and how to set up a Chapter in Gatesville. Mr. Parry said that it should be set up as a citizen function and not a city function. More to follow as this effort goes forward.

7) ADJOURN REGULAR CITY COUNCIL MEETING AT 6:37 P.M. THIS 14th DAY OF MARCH, 2017

ATTEST:

APPROVED:

Wendy Cole
City Secretary

Gary M. Chumley
Mayor

