

City Council
March 19, 2018

A regular meeting of the Mayor and City Council of the City of Waxahachie, Texas was held in the Council Chamber at City Hall, 401 S. Rogers on Monday, March 19, 2018 at 7:00 p.m.

Council Members Present: Kevin Strength, Mayor
Mark Singleton, Mayor Pro Tem
David Hill, Councilmember
Mary Lou Shipley, Councilmember

Council Member Absent: Chuck Beatty, Councilmember

Others Present: Michael Scott, City Manager
Albert Lawrence, Assistant City Manager
Robert Brown, City Attorney
Lori Cartwright, City Secretary

1. Call to Order

Mayor Kevin Strength called the meeting to order.

2. Invocation

3. Pledge of Allegiance

4. Texas Pledge of Allegiance

City Manager Michael Scott gave the invocation and led the Pledge of Allegiance and the Texas Pledge of Allegiance.

5. Public Comments

Ms. Amy Hedtke, 106 Vanderbilt Lane, Waxahachie, referenced the proposed Food and Food Handlers Ordinance and asked the Council to consider the older buildings in town to not put a hardship on business owners.

6. Consent Agenda

- a. Minutes of the City Council meeting of March 5, 2018
- b. Minutes of the City Council Briefing Session of March 5, 2018
- c. Minutes of the Joint Work Session of City Council and Planning and Zoning Commission of March 1, 2018
- d. Minutes of the Heritage Preservation Commission meeting of February 8, 2018
- e. Minutes of the Airport Board meeting of March 1, 2018
- f. Minutes of the Park Board meeting of March 8, 2018
- g. Minutes of the Cemetery Board meeting of March 8, 2018
- h. Monthly Code Enforcement Report for February 2018
- i. Monthly Violation Activity Statistics Report for February 2018
- j. Monthly Fire and EMS Report for February 2018
- k. Monthly Crime Report for January and February 2018
- l. Renewal of parking and loading zone lease spaces
- m. Approve High School Graduation fireworks display hosted by WISD
- n. Approve application for The Hachie 50 running race event
- o. Approve application for Lake Waxahachie Vendor Permit

Action:

Councilmember David Hill moved to approve items a. through o. on the Consent Agenda. Councilmember Mary Lou Shipley seconded, All Ayes.

7. Introduce Honorary Councilmember

Mayor Pro Tem Mark Singleton introduced Miss Sloane Smith as the Honorary Councilmember for the month of March 2018. He presented her with a Certificate of Appreciation for her participation in the Honorary Councilmember program.

8. Present Proclamation proclaiming April 9 through April 13, 2018 as “Boys and Girls Club Week in Waxahachie.

Mayor Strength read a Proclamation proclaiming April 9 through April 13, 2018 as “Boys and Girls Club Week in Waxahachie.” He presented it to Captain Robert Coriston and staff.

9. Consider City of Waxahachie Annual Financial Report for year ended September 30, 2017

Mr. Greg Shropshire, Pattillo, Brown, & Hill, L.L.P., reviewed the report and in summary the financial highlights included the following:

- At September 30, 2017, the City’s total combined net position was \$118,942,283. Of this amount, \$20,075,412 (unrestricted net position) may be used to meet the City’s ongoing obligations to citizens and creditors.
- The City’s total net position increased by \$8,050,371 during the current fiscal year.
- At the end of the fiscal year, the total fund balance of all governmental funds was \$42,064,138, up \$2,291,885 from the prior year.
- As of the close of the current fiscal year, unassigned fund balance for the General Fund was \$12,495,470, or about 36.81% of total General Fund expenditures.

Mayor Pro Tem Singleton referenced the net pension liability and stated the Texas Municipal Retirement System (TMRS) reported a yield and interest rate target of 6.75% which is in the City’s Financial Report and the TMRS Board’s target is 6.75% and they state that in this report. He stated TMRS annualized return is 4.54% and their 5 year annualized return is 6.65% and their 10 year annualized return is 6.09% therefore they came down a quarter. Mr. Shropshire concurred. Mayor Pro Tem Singleton stated the reason this is important is obviously it is unable to yield what TMRS reported to yield and making the liability much higher. Mr. Shropshire stated there is a calculation on page 53 of the city’s annual report that reflects calculating a one percent (1%) point. Mayor Pro Tem Singleton stated Finance Director Charles Harris has educated him on this noting the pension is amortized over 15 years. Mayor Pro Tem Singleton noted the State lets us come back and hopefully make it yield up next year and it won’t be as bad and there is a constant going up and down. He stated this is not a commentary to do Mr. Harris’ job or the auditor’s job, it is a commentary that if the state is unable to yield, which they historically proven they cannot, there seems to be a much larger unfunded liability. He acknowledged Mr. Harris is doing a great job as well as the accounting firm noting they are in complete accordance with all requirements. He stated as a Council member and financial services professional, in his business it would be criminal negligence to sit here and not talk about it.

Action:

Mayor Pro Tem Mark Singleton moved to accept the Annual Financial Report for year ended September 30, 2017 and add the City Secretary reach out to TMRS to pull the TMRS Investment Activity Report dated May 2, 2017 in the care of Mr. David Gavia and pull the letter and subsequent financial documents that support noting that paragraph two and paragraph three of said letter was discussed. Councilmember David Hill seconded, All Ayes.

10. Consider proposed contract with Kimley Horn to provide professional engineering services for the design of a new 24” water line from the elevated storage tank on FM 664 to Hwy 287 Business

Mr. Tommy Ludwig, Executive Director of Development Services, reported the contract is in the amount of \$114,500.00 and will provide engineering design, bid specification preparation and construction support services to install a new water line that will provide water service for Ridge Crossing, Shepard’s Place, future development along Ovilla Road, and provide a connection point for the planned Emory Lakes development.

Action:

Mayor Pro Tem Mark Singleton moved to approve the contract with Kimley-Horn in the amount of \$114,500 as presented. Councilmember Mary Lou Shipley seconded, All Ayes.

11. Consider proposed Resolution authorizing reimbursement of the operating fund from proceeds of future debt for professional engineering services associated with a new water line from the elevated storage tank on FM 664 to Hwy 287 Business

Mr. Ludwig stated proposed Resolution No. 1235 is a companion case of Item 10 and requested approval.

RESOLUTION NO. 1235

A RESOLUTION DECLARING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF FUTURE DEBT FOR THE PURPOSE OF PERFORMING ENGINEERING DESIGN SERVICES ASSOCIATED WITH THE DESIGN OF A NEW WATER LINE FROM THE ELEVATED STORAGE TANK ON FM 664 TO HWY 287 BUSINESS

Action:

Councilmember Mary Lou Shipley moved to approve Resolution No. 1235 as presented. Mayor Pro Tem Mark Singleton seconded, All Ayes.

12. Consider proposed contract with Kimley-Horn to provide professional engineering services for the design of a new 12” water line and (2) pressure reducing valves for the realignment of the 791/769 water distribution system service area along FM 813 east of Hwy 287 Bypass from Dean Box Drive to the Sandstone Ranch Subdivision

Mr. Ludwig reported the contract is in the amount of \$49,600.00 and will provide engineering design, bid specification preparation and construction support services for the installation of two new pressure reducing valves, one at the intersection of Brown Street and Dean Box Drive, and one at the intersection of Garden Valley Parkway and Brown Street, which will reduce high water pressures entering the 769 Service Area from the 791 Service Area.

Action:

Councilmember David Hill moved to approve the contract with Kimley-Horn in the amount of \$49,600 as presented. Councilmember Mary Lou Shipley seconded, All Ayes.

- 13. Consider proposed Resolution authorizing reimbursement of the operating fund from proceeds of future debt for professional engineering services for the design of a new 12” water line and (2) pressure reducing valves for the realignment of the 791/769 water distribution system service area along FM 813 east of Hwy 287 Bypass from Dean Box Drive to Sandstone Ranch Subdivision**

Mr. Ludwig stated proposed Resolution No. 1236 is a companion case of Item 12 and requested approval.

RESOLUTION NO. 1236

A RESOLUTION DECLARING INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF FUTURE DEBT FOR THE PURPOSE OF PERFORMING ENGINEERING DESIGN SERVICES ASSOCIATED WITH THE DESIGN OF A NEW 12” WATER LINE AND (2) PRESSURE REDUCING VALVES FOR THE REALIGNMENT OF THE 791/769 WATER DISTRIBUTION SYSTEM SERVICE AREA ALONG FM 813 EAST OF HWY 287 BYPASS FROM DEAN BOX DRIVE TO SANDSTONE RANCH SUBDIVISION

Action:

Mayor Pro Tem Mark Singleton moved to approve Resolution No. 1236 as presented. Councilmember David Hill seconded, All Ayes.

- 14. Discuss Food and Food Handlers Ordinance and take any necessary action**

Mr. Ryan Studdard, Director of Building & Community Services, presented a revised Food & Food Handlers Ordinance. He reported Chapter 228 of the Texas Administrative Code references the Texas Food Establishment Rules (TFER) noting the purpose of rules is to safeguard public health and provide consumers food that is safe, unadulterated, and honestly present. Mr. Studdard reviewed the summary of changes noting the Ordinance updates the TFER from the 2006 version to the 2015 version with new inspection form, updates terms and conditions, replaces all references to Environment Health with Building & Community Services, adds “Improvement Plan” and reference to Section 1-12 to Article III, and removes repetitive language which reduced the Ordinance from 15 pages to 6 pages.

Mayor Pro Tem Singleton asked how the historic district is handled and how do we build provisions to give the ordinance guidance. Mr. Studdard stated the City has adopted the Building Code and it covers the provisions and the current TFER will allow for historic buildings. Mayor Pro Tem Singleton stated the Ordinance has been in affect with no issues and therefore we don't need to fix something that is not broke.

Mayor Strength stated the Tax Increment Reinvestment Zone #1 Board can financially assist the historic district with funding if needed.

Action:

Mayor Pro Tem Mark Singleton moved to deny proposed updates to the Food and Food Handlers Ordinance. Mayor Kevin Strength seconded. The vote was as follows:

*Ayes: Kevin Strength
Mark Singleton
David Hill*

Noes: Mary Lou Shipley

The motion carried.

15. Consider TxDOT Aviation Grant project to construct security fencing at Mid-Way Regional Airport

Ms. Judy Demoney, Mid-Way Regional Airport Manager, reported TxDOT recently approved a grant for security fencing. The estimated cost of the project is \$790,000 that will be funded through the Airport's Non-Primary Entitlement annual \$150,000 funds and an additional amount from the FAA's Airport Improvement Plan. The estimated Sponsors' share is \$79,000. Ms. Demoney stated, in order to maximize funds, the project will be spread over a four-year period. She stated the Airport Board voted at their meeting in March to approve the grant.

Action:

Councilmember David Hill moved to approve TxDOT Aviation Grant project to construct security fencing as presented. Mayor Kevin Strength seconded, All Ayes.

16. Convene into Executive Session for the Performance Evaluation of City Manager as permitted by the Texas Government Code, Section 551.074

Mayor Strength announced at 8:00 p.m. City Council would convene into Executive Session for the Performance Evaluation of the City Manager.

17. Reconvene and take any necessary action

City Council reconvened at 8:43 p.m. Mayor Strength stated six months ago City Council asked Mr. Michael Scott to become City Manager and build a team to support the upcoming changes in the city. He noted when raises were given earlier in the year Mr. Scott was not part of receiving a raise. Mayor Strength reported Mr. Scott has performed brilliantly and followed through with their requests.

Action:

Mayor Kevin Strength moved to give City Manager Michael Scott a ten percent (10%) raise effectively immediately. Councilmember Mary Lou Shipley seconded, All Ayes.

18. Comments by Mayor, City Council, City Attorney and City Manager

Mr. Tommy Ludwig, Executive Director of Development Services, reported the foundation has been poured at the water maintenance shop and should be going vertical in the next couple of weeks.

Assistant City Manager Albert Lawrence stated he met with all department heads that report to him and is very impressed with them as well as all employees he has interacted with. Mayor Strength thanked Mr. Lawrence for joining the team noting he looks forward to working with him.

Councilmember Mary Lou Shipley stated part of the reason Council is so pleased to have Mr. Scott in the position of City Manager is the quality of people he has hired. She stated Mr. Scott has filled a number of important positions and has filled them with people that are extremely well qualified which is only going help Waxahachie. She stated things are going great and will only get better and it is good to have all the people in place.

City Manager Michael Scott thanked City Council for their vote of confidence noting it is appreciated and stated he looks forward to pushing ahead. He announced a joint workshop with WISD will be held on Thursday, March 29, 2018 at 6:00 p.m. in the Council Conference Room. Mr. Scott referenced the bouquet of Iris' on display in the Council Chamber and thanked Mr. David Smith for his generous donations while the Iris' are in bloom.

Mayor Pro Tem Mark Singleton stated it is awesome to see positions filled that haven't been filled in a long time. He noted Mr. Scott has assembled a great team with new and current employees and it is good to see them all working for the betterment of the community. Mayor Pro Tem Singleton asked Mr. Ludwig to reach out to Mr. Studdard to continue to refine the Food and Food Handlers Ordinance noting he did chew on him but the Ordinance is not dead yet. Mayor Pro Tem Singleton stated it is his hope to find ways to empower staff through some ordinance mechanism whereby staff continues to use their common sense approach and partner with our community to put the rules in place. He thanked Council noting it has been a very interesting year and we are in such a better place.

Councilmember David Hill stated he is very pleased with Mr. Scott and proud of him for what he has done and very anxious to see what the future brings.

City Attorney Robert Brown echoed the same sentiments for Mr. Scott and the staff he has assembled as well as the outstanding staff he already had in place. He stated Mr. Scott and his staff is responsive, competent, and knows what they are doing which makes his job a lot easier. He congratulated Mr. Scott on his well-earned and well deserved pay raise.

City Secretary Lori Cartwright thanked Mr. Scott for his leadership noting the city employees look up to him.

Police Chief Wade Goolsby reported the Police Department is on time and on budget and he looks forward to a grand opening in July.

19. Adjourn

There being no further business, the meeting adjourned at 8:50 p.m.

Respectfully submitted,

Lori Cartwright
City Secretary