

MINUTES
REGULAR MEETING
MINERAL WELLS CITY COUNCIL
CITY HALL ANNEX
September 20, 2016 - 6:00 pm

City Councilmembers present were Mayor Mike Allen, Mayor Pro-Tem John Upham, Councilmembers Clif Wright, Brian Reagan, Tammy Underwood, and Wayne Johnson. There is one vacancy on the Council. A quorum of City Councilmembers was present.

Staff members present were City Manager Lance Howerton, Police Chief Dean Sullivan, Fire Chief Mike Pool, Finance Director John Moran, Public Works Director Kelly Jones, City Clerk Juanita Formby, and City Attorney George Gault.

Mayor Allen called the meeting to order, Pastor Jerrell Tomlin of the Mineral Wells Church of God gave the invocation, and the Pledges of Allegiance to the U.S. and Texas were recited.

Mr. Upham moved and Mrs. Underwood seconded to approve the following **CONSENT AGENDA**, and the motion carried 6-0:

1. Consider minutes of previous meeting held September 6, 2016.
2. Consider approval of budgeted expenditures over \$500.
3. Consider approval of Financial Report for month ended June 2016.
4. Consider a resolution accepting a donation of computer equipment from the Friends of the Boyce Ditto Library to the City of Mineral Wells.
5. Consider authorizing payment to Corrosion Eliminators in the amount of \$49,967.96.
6. Consider a resolution authorizing execution of Texas Department of Transportation Grant for Routine Airport Maintenance Program (RAMP), TxDOT Project ID:M1702MNL.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. Mayor Allen opened a public hearing at 6:02 pm regarding a request for a final plat on a 5.864 acre parcel of land out of the T&P RR Company Survey, Section 5, Block A, EOB, Abstract No. 1552, Parker County, Texas, which, if approved, would become Lot 1 Block 1 of the Half Price Storage Addition to the City of Mineral Wells. Mr. Dennis Young, the applicant, is seeking to plat the property so that he might construct a mini-warehouse

facility on the property, which is addressed as 7703 Highway 180 East. The Planning and Zoning Commission had met to consider this matter on September 12, 2016, and now recommends that the plat be approved. No one was present to speak, and the public hearing was closed at 6:04 pm. Mr. Upham moved and Mr. Reagan seconded that the final plat be approved as recommended. Motion carried 6-0.

8. Mayor Allen opened a public hearing at 6:04 pm regarding a request for a Specific Use Permit to construct and operate a mini-warehouse facility at 7703 Highway 180 East in Mineral Wells, Parker County, Texas. The applicant was Dennis Young. The Planning and Zoning Commission had met on September 12, 2016 to consider this item and now recommends that the Specific Use Permit be granted. No one was present to speak, and the public hearing was closed at 6:06 pm. Mr. Wright moved and Mrs. Underwood seconded to grant the Specific Use Permit as recommended, and the motion carried 6-0.
9. Mayor Allen opened a public hearing at 6:06 pm regarding a request to plat three (3) acres of land out of the Northwest quarter of Section No. 702, Palo Pinto County, Texas, which, if approved, would become Lot 1, Block 1 of the Xplore Yard Addition to the City of Mineral Wells. The proposed use of the property, addressed as 2383 Garrett Morris Parkway in Mineral Wells, would be for the storage of oil field equipment. Mr. Philip Carlisle was present to answer questions; he said the property would be screened on all sides with trees and no structures would be built there. Mr. Howerton said certain landscaping the buffering requirements set out in the Zoning Ordinance would be enforced. No one else was present to speak and the public hearing was closed at 6:10 pm. Mr. Upham moved and Mr. Reagan seconded to approve the plat as recommended, and the motion carried 6-0.
10. Mayor Allen opened a public hearing at 6:11 pm regarding a request for a variance from the 80% exterior masonry requirement for principal buildings and structures located in an SF-9 (single family) zoning district as defined in the City of Mineral Wells Code of Ordinances, Zoning, Section 6-8, Masonry Exterior Requirements, Subsection (A) Residential Districts. The applicant, Ms. Barbara Corry, was not present. Mr. Howerton said that the applicant had been approved to place a modular home on the property located at 800 S.W. 5th Avenue in Mineral Wells, and hoped to use hardiplank siding rather than masonry, so that the home would be more consistent with surrounding homes in the area. The Planning and Zoning Commission had met on September 12, 2016 to consider this item, and now recommends that it be approved. Councilman Reagan had reservations about granting the request, saying that these rules were in place for a reason, and too much deviation from them might fail to elevate the aesthetics and use of the neighborhood, which is what they are designed to do. He

said he would prefer not to make this decision until such time as the applicant could be present to answer questions about what she hoped to do with the home. It was mentioned that one member of the Planning and Zoning Commission had voted against the request. No one was present to speak, and the public hearing was closed at 6:17 pm. Mr. Reagan moved and Mr. Wright seconded to table this item until the October 4, 2016 City Council meeting. Motion carried 6-0.

Mayor Allen opened discussion among the City Councilmembers regarding the 2016-2017 budget for the City of Mineral Wells. He said that, since there had already been two public hearings, tonight the Council would not entertain comments from those present; however, since two people had signed speaker cards to speak, they would each be given two minutes to speak.

Terri Glidewell said at the last public hearing she had submitted a petition with some 900 signatures of people who were against and water rate or tax increases. She asked the Council for their thoughts about the petition and the 900 people who had expressed their concerns. Mr. Reagan drew some comparisons between the number of people who signed the petition and the number of people who bothered to vote in the previous City election.

Caleb Shipman had signed to speak, and he suggested that the budget could contain the desired amenities without a tax increase if the City Council would simply eliminate the Mineral Wells Industrial Foundation, forego employee raises, and hire more police and firefighters to reduce overtime. He said that in doing this, he "fixed the budget" in five hours.

Each of the City Councilmembers had observations about the proposed budget and tax rate. Mr. Wright mentioned the other taxing entities who were increasing their tax rate, adding to the citizens' burden. He said there were three options to consider: 1) a budget with no increase in either tax or water rates; 2) a budget proposed by the City Council with a 60 cent tax rate and a 10% water rate increase; or 3) the City Manager's proposed budget with a 56 cent tax rate and a 4% increase in water rates. He said he had talked with several people who said they could support the City Manager's proposal. He said he understands that more revenue must be generated in order to make desired improvements, but he did not think this was the year for that. He is optimistic about Mineral Wells' future, and he feels that a future economic upturn will enable people to shoulder a greater tax burden, but not now. He mentioned the Mineral Wells Industrial Foundation and his initial reservations about that organization, said he had met with them and asked questions, and now believes that they are worth the money provided in the City budget, and they are working hard to secure jobs for Mineral Wells.

Mr. Upham said that most people don't realize they have paid a higher tax rate in the past, and it was lowered in subsequent years when the economy was better. If improvements and equipment in the City is needed, and if citizens want better streets, etc. those things must be paid for.

Mrs. Underwood said it is time to move this City forward. Every year brings more deterioration, and a minimal budget that simply maintains what we have does not improve the City or move it forward. She feels the effect on the individual taxpayer that the proposed seven cent increase would have has been exaggerated. On a \$70,000 home, the 60 cent rate would mean \$49 more a year, and she did not feel that was overly burdensome. She also stressed that the City is a business, and must be operated like a business. Businesses must sometimes make hard choices, and raise their prices in order to keep the doors open. She reminded those present that any tax increase would not affect those taxpayers over 65 years of age. No tax increase would mean that there would be nothing budgeted for Police and Fire, and that cannot happen.

Mr. Johnson discussed several matters, including Mineral Wells' low-income residents and its deteriorating infrastructure, but said we cannot fix everything in one year. His position was to adopt the City Manager's proposed budget with the 56 cent tax rate and the 4% water rate increase. Then, the Council should seriously look at a bond election to be held in May of 2017 to help provide for some of the items on the "wish list" that was discussed at the August 23rd Council meeting. He also said we need to get serious about downtown redevelopment, beef up our efforts to recruit industry and jobs, and implement an aggressive retail business program.

Mr. Reagan said that none of the items on the list resulting from the August 23rd meeting were frivolous, that all were needed. He discussed the possible termination of the contract with Wes Jurey for Envision Mineral Wells, and possible defunding of the Industrial Foundation. He suggested that street repairs could be the subject of a bond issue, if folks wanted to vote for that, it would be their decision. He felt the Industrial Foundation is doing valuable work, but had asked for a more controls and more detailed accounting of how the money is spent. He hoped to see Mr. Butcher of the Area Growth Council travel away from Mineral Wells to seek out and recruit business and industry.

Mrs. Underwood said that her understanding was that bond issues were to be used primarily for "extra" large projects, such as a new community center or YMCA, but not necessarily for street repairs or other such matters that would typically be a routine budgeted expense.

Mayor Allen said that the people he has talked to are progressive in their thinking, and want to move forward now. Every year we say "next year", and next year is now. We need to have the guts and the foresight to do it now, and not put it off for another year as we have done for years.

Following a lively discussion, Mr. Reagan made a motion to support a budget with a 56 cent tax rate, but still provide the needed Police and Fire items by eliminating funding of the Industrial Foundation, terminating the contract with Wes Jurey for the Envision Mineral Wells program, and incorporating the \$106,000 savings from employee health insurance. After these expenditures are satisfied, remaining funds could go towards the demolitions programs. Mr. Wright seconded this motion. The motion failed 2-4 (Reagan, Wright voted aye; Allen, Underwood, Upham, and Johnson voted nay).

A bit more discussion, and Mr. Upham moved to instruct staff to revise the budget to reflect a 58 cent tax rate, factor in the savings on employee health insurance, suspend the street repairs in Holiday East and LaGrande/Oakridge Additions, retain funding for the Police and Fire items, and place the remaining funds towards the demolition program. Mrs. Underwood seconded this motion, and the motion passed 4-2 (Allen, Upham, Underwood, and Wright voted aye; Reagan and Johnson voted nay).

Staff advised that it would be impossible to complete the necessary recalculations to the budget during this meeting for the Council to adopt, and suggested that a special meeting be held on Tuesday, September 27, 2016, to adopt the budget, the tax levy, and ratify the tax levy. Therefore, those items on this agenda, Nos. 11, 12, and 13, were tabled until the special meeting.

14. Mr. Howerton said that, in response to a discussion among Councilmembers at a previous meeting, staff has prepared an ordinance which would increase water rates by 10% from the current rate, and revise the water billing structure to add a 0-3000 gallon tier to the residential rate, which will not be impacted by any rate change, thereby not affecting low-volume customers. Mr. Reagan said he feels a bit differently about water rates as opposed to the tax rate, as customers have a bit of control over how much water they use. He therefore supported the 10% increase, and made a motion that the City Council pass and approve an ordinance amending Article II of Chapter 90, Utilities, of the Mineral Wells Code of Ordinance by revising water rates and providing for an effective date. Mr. Upham seconded, Mr. Wright and Mr. Johnson voted nay, and the motion carried 4-2.
15. Mayor Allen opened a public hearing at 7:44 pm regarding the 2016-2016 Mineral Wells Area Chamber of Commerce Tourism Division

budget. Because the Tourism Division is funded through the hotel/motel tax revenue collected by the City, the Code of Ordinances requires that the Tourism budget be approved by the City Council. Mr. Ryan Roach of the Mineral Wells Area Chamber of Commerce, and Ms. Blair Zahn, the Chamber's Tourism Director, made a presentation and described several of the programs and achievements they had during the past fiscal year. No one was present to speak, and the public hearing was closed at 8:00 pm. Mr. Reagan moved and Mr. Upham seconded to approve the Mineral Wells Area Chamber of Commerce Tourism Division Budget for 2016-2017. Motion carried 6-0.

Mayor Allen called a brief recess at 8:01 pm. The meeting was reconvened at 8:10 pm.

16. Mr. Howerton presented the 2016-2017 Operations and Maintenance Budget for the Palo Pinto County Municipal Water District No. One. Mr. Howerton said this budget was approved by the Water District Board at their meeting in August 2016. Following a brief discussion, Mrs. Underwood moved and Mr. Upham seconded to pass and approve the budget as presented. Mr. Reagan voted nay, and the motion carried 5-1.
17. Mr. Howerton said that the Mineral Wells Community Development Corporation is required to submit its annual budget to the City Council in accordance with state law. Following a short presentation, Mrs. Underwood moved and Mr. Reagan seconded to approve the Mineral Wells Community Development Corporation 2016-2017 annual budget as presented. Motion carried 6-0.
18. Mr. Moran presented Change Order No. 1 to the contract with Crawford Roofing, which was let in June 2016 to repair storm damages to various City buildings. As construction on the Police Department building commenced, it became apparent that asbestos abatement would be required, and it was recommended by the City's retained architect, Independent Building Consultants, that additional funds be approved for that. The Change Order is in the amount of \$36,750. Mr. Reagan expressed displeasure at change orders to the contract, saying that between the architect and the general contractor, details like this should be known before the contract is let. Mr. Moran said that due diligence was given to do so, but it is sometimes impossible to know what you are dealing with until demolition begins. Mr. Upham moved and Mrs. Underwood seconded to approve the Change Order as recommended, and the motion carried 6-0.
19. Mr. Moran presented Change Order No. 2 to the contract with Crawford Roofing, to replace decking on the roof of the Woodland Park Cemetery office building. Mr. Reagan asked if the

contractor or the architect walked the roof prior to the contract being bid? Mr. Moran said yes, but this detail could not be seen until the shingles were removed. The amount of this Change Order is \$3000. Mr. Wright moved and Mrs. Underwood seconded to approve the Change Order as presented. Mr. Reagan voted nay, the motion carried 5-1.

20. Mr. Howerton said that the City still owns two lots in the Springhill Addition, and Council has authorized staff to advertise and receive bids for the sale of these two lots. Bids were received on September 6, 2016, and a sole bid was submitted by a local homebuilder, B&B Builders (Billy Blue). Staff recommended that the sale of Lots 2 and 27 in the Spring Hill Addition be sold to B&B Builders for the bid price of \$29,400. Mr. Reagan so moved, Mr. Wright seconded, and the motion carried 6-0.
21. Mr. Howerton advised that the City's municipal hauling contract for the collection of solid waste with Waste Connections of Mineral Wells will expire at the end of November 2016. Waste Connections is providing an appropriate level of service, has a local presence in Mineral Wells, and is willing to maintain the current residential collection fee if a new contract were to be negotiated. Currently, the City has twice weekly bagged curbside residential collection, but another proposal from Waste Connections would provide once weekly automated polycart collection. He said that the City is not obligated to bid out this service. Following discussion, Mr. Johnson moved and Mrs. Underwood seconded to direct staff to negotiate a new contract with Waste Connections using the current residential pricing structure. Motion carried 6-0.
22. Chief Sullivan presented a request from the Crazy Water Festival organization to temporarily close certain streets in Mineral Wells to accommodate the 37th annual Crazy Water Festival on October 7, 2016. The Festival is again slated to be held in the streets surrounding the Famous Water Company in the near northwest quadrant of town. Following a brief discussion, Mr. Johnson moved and Mrs. Underwood seconded to pass and approve an ordinance providing for the temporary closing of certain streets to public travel during the Crazy Water Festival. Motion carried 6-0.
23. Chief Sullivan presented a request from the First Christian Church in Mineral Wells to temporarily close a certain street to accommodate a block party to be held by the church on October 2, 2016. Following a brief discussion Mr. Johnson moved and Mrs. Underwood seconded to pass and approve an ordinance providing for the temporary closing of a certain street to public travel during

the First Christian Church of Mineral Wells Block Party. Motion carried 6-0.

24. There was no further business to be considered, and the meeting was adjourned at 8:43 pm.

/s/ Mike Allen, Mayor

ATTEST:

/s/ Juanita Formby, City Clerk

APPROVED: 10-04-2016