

**City of Pilot Point, Texas**

Minutes of the September 14, 2020

City Council Meeting

The City Council of the City of Pilot Point, Texas met on this date at 6:30 p.m. for a regular City Council meeting. City Council members present were Mayor Shea Dane-Patterson, Andy Singleton, Jim Porter Pearlie Simpson, Dean Cordell and Matt McIlravy. City Staff members present were City Manager Britt Lusk, Police Chief Tim Conner, Financial Manager Lana Ensminger, Public Works Director Trent Vandagriff, Development Services Director John Taylor, Fire Chief Heath Hudson, Capital Projects Manager Matt Kaminski, Main Street Director Lenette Cox and Acting City Secretary JoAnn Wright.

**AGENDA**

**A. ROLL CALL/CALL TO ORDER**

Mayor Dane-Patterson announced a quorum and called the meeting to order at 6:30 pm.

**B. PLEDGE TO FLAGS**

1. United States of America
2. Texas Flag

*Honor the Texas Flag, I pledge allegiance to thee,  
Texas, one state under God, one and indivisible*

Mayor Dane-Patterson led the pledges to the flags.

**D. INVOCATION**

Chris Todd with Midway Baptist Church led the invocation.

**E. ITEMS OF COMMUNITY INTEREST**

Mayor Dane-Patterson announced the following items:

- The next and last Farmers Market for this year on 9/26/20.
- There is a special election to fill the vacated place of Pat Fallon. Election day will be 9/29/20.
- Early voting for the November election will begin on 10/13/20.

**F. PUBLIC FORUM, PRESENTATIONS AND RECOGNITION:**

**Public Forum:***(Citizens are allowed 3 minutes to speak. If the issue is on the agenda, the City Council may choose to discuss and consider the item. If the issue is not on the agenda, the Council is not permitted by state law to respond to or discuss the item other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry. The Council may request the issue to be placed on a future agenda for action in accordance with state law. This forum is not the appropriate place to address complaints against Public Officials and/or Staff. Complaints of this nature should be made in writing and filed with the City Manager.)*

1. Present proclamation to the United Way for September 2020 Live United Month.

Mayor Dane-Patterson read the United Way proclamation. United Way representative Carrell Ann Simmons was on the meeting virtually.

2. Recognition from Medical City of Denton Hospital for outstanding patient care.

Holly Telford and Brandy Fette from Medical City Denton recognized Pilot Point Fire Department Captain Brad Bell, Firefighter Ryan Crow and Aubrey Firefighter Kenny Cherry for outstanding patient care on May 29, 2020.

3. Presentation from Grace Point Church of the Nazarene to the Pilot Point Police Department and the Pilot Point Fire Department.

Fire Chief Heath Hudson and Police Chief Tim Conner were asked to step to the front. Pastor Dwayne Edwards from Grace Point Nazarene Church announced Rich Shutt. Mr. Shutt presented Chief Hudson and Chief Conner each with a check for \$1000.00 for their departments. The money was proceeds from the Chrome Fest Car Show.

Mayor Dane-Patterson stated at this event the fire department and police department had a tug-a-war games. The police won twice.

Timothy Ford stated that he wants to speak about the face mask. He stated that we just need to educate everyone. Post signs. On the farmers market, for the vendors that won't wear mask just not allow them to come back.

## G. CONSENT AGENDA

1. Authorization for payment to Tim Beaty Builders for \$ 195,764.12. This is for the Fire Station project, invoice is attached.

Councilmember Porter moved to authorize the payment to Tim Beaty Builders for \$195,764.12 to pay for the Fire Station project. Councilmember Singleton seconded the motion. The motion passed unanimously.

## H. REGULAR AGENDA

1. **Discuss, consider, and possible action to allow the City Manager to enter into a Limited Water Tank Maintenance Contract with Utility Service Co., Inc.**

City Manager Lusk stated this is a money saving item. The contract is to complete maintenance on the water storage tanks. This will extend the life of each tank. To replace these tanks would take about \$250,000 per each tank. This contract will cover all the tanks.

Mayor Dane-Patterson stated that the tanks are in extremely bad condition. The water tank downtown is over 100 years old.

City Manager Lusk stated this helps us get our high-water rating with TCEQ. Mayor Dane-Patterson moved to authorize the City Manager to enter a limited water tank maintenance contract with Utility Services Co., Inc. Councilmember McIlravy seconded the motion. The motion passed unanimously.

2. **Discuss, consider and possible action on ways to encourage the use of face masks to counter the spread of COVID-19.**

Councilmember Porter stated that there is concern about the safety of everyone in town. Also concerned about the people that will be affected by hurricane Sally. There are currently 101 Corona virus cases in Pilot Point. How do we as a City Council encourage people to wear face mask to prevent people from spreading this virus? This shouldn't be considered political. The City Council is not coming tonight with an ordinance. We are all concerned with the safety of our community.

Mayor Dane-Patterson stated we all need to set an example by wearing our mask. Our schools have been doing a good job with this. We need to continue to encourage our community to wear mask. Our county health dept. has been going above and beyond to make sure the reporting is done right. As leaders in the community we should set an example.

Councilmember Porter stated if the City is having an event on the square and the vendors are not wearing mask, they should be asked to leave.

Councilmember Simpson stated we as a council are not going to be able to police it.

Mayor Dane-Patterson stated the Governor's mandate states that if you have a health issue, you don't have to wear the mask. HIPPA law states we cannot ask what the issue is.

City Manager Lusk stated he concurs with Council. We need to set an example, and people are going to do what they are going to do. The City employees will do whatever council says.

Councilmember Porter stated again that we as Council need to be an example, and the store owners need to be examples.

Timothy Ford of Pilot Point stated that he wanted to make a statement about the face mask. He agreed with Councilmember Porter that we need to educate the people.

Mayor Dane-Patterson stated we should be kind and supportive of one another.

3. **Public hearing regarding the proposed budget for the Fiscal year beginning October 1, 2020 ending September 30, 2021.**

Mayor Dane-Patterson called the public hearing to order at 7:07 pm.

City Manager Lusk thanked all citizens that attended the budget workshops. Mr. Lusk stated there has been a lot of chatter from people that have not attended the workshops and he would be glad to make an appointment with anyone that wants to go over the budget with him.

MR. Lusk explained the City operates on two funds, the General Fund and the Utility Fund or Enterprise Fund. The General Fund is where the taxes go to pay for your maintenance and operations and debt services. The Enterprise Fund is where you pay your utilities and infrastructure. Enterprise Fund is more like a business and the General Fund is taxes. In 2019 Senate Bill 2 changed some of the terms. No New Taxes went to Voter Approved and for cities with under 30,000 population there was a Di Minimus rate created. The Di Minimus tax rate is the Voter Approved rate plus whatever amount would add \$50,000. The Di Minimus rate first proposed would have allowed the City to pay back the reserves faster, purchase some large ticket items and allowed the City to put a freeze on raising the utility rates. After discussion with citizens and City staff we know that this is not the year to do that. Staff went back to the voter approved rate and came up with a rate of 0.619717 which would be the normal rate had there not been a natural disaster.

This budget proposed today shows the following:

- A five-year payback to reserves.
- General Fund Budget amount \$4,344,535.94.
- Utility Fund Budget amount \$3,649,087.39.
- This is almost a completely balanced budget.
- The water/sewer rates will be going up 8%.
- The drainage rates will be going up \$2.00 on residential and \$3.00 on commercial.
- We took the sprinkler system for the old city park out of the budget.
- We had a \$50,000 well maintenance contingency

The next two years the City is going to have to tighten the budget due to our debt services for the time being 1.1 million each year before it drops back off.

Shaun Hopkins of Pilot Point asked if the city has checked into grants with Texas Water Board Development for loans for wells? City Manager Lusk answered yes, the City is working with Texas Water Board for possible grants for the wells.

Ms. Hopkins stated that last year the City wrote Buster Chandler a construction reimbursement check for \$332,806.55 and wanted to know what it was for. Mayor Dane-Patterson stated it was from an escrow account that Mr. Chandler had to put a performance bond, a cash bond or a letter of credit from his bank for his new development, Lakeview Estates, in the amount of the cost to put in the infrastructure at Lakeview Estates. He did a cash deposit. The work was completed and inspected with no issues, so the money was refunded back to him. Neither Mr. Chandler nor the City was out any money.

Ms. Hopkins asked about the No New Tax Rate versus Voter Approved Rate. Was the No New Tax Rate higher than the Voter Approved Rate? City Manager Lusk explained the Voter Approved Rate for this year was .64 the No New Tax Rate was .48.

Marcella Rose of Pilot Point stated that she is new the City of Pilot Point and she loves it here. Ms. Rose stated that she is concerned with the tax rate going up and wants the City to discuss the increase before it is done. Mayor Dane-Patterson stated that the City has had several budget workshops to discuss the best way to move forward. The city is trying to take into consideration everything concerning the residents. Mayor Dane-Patterson urged citizens to apply for homestead and over 65 exemptions with the tax office. The Cities water rates are still lower than other cities around us. Council has given a lot of thought to all the facts about this budget. The city manager is very cautious about what is being spent. Our City Manager is very frugal.

Mary Jackson of Pilot Point asked if the City was going to have a drainage increase? What does the drainage money pay for? City Manager Lusk stated yes. The drainage crew is clearing out the drainage ditches. We have two drainage workers in the department and a lot of work, plus we have two openings.

Ms. Johnson stated the drainage is better in her area, but with the big rain the city had it was a problem. It becomes a health hazard.

City Manager Lusk stated the city is going to have an engineer look at the drainage problems.

Timothy Ford of Pilot Point stated that he wanted to make a statement about the face mask. He agreed with Councilmember Porter that we need to educate the people.

Mayor Dane-Patterson closed the public hearing at 7:37 pm.

4. **Discuss, consider and possible action on approving and adopting a budget for the Fiscal Year October 1, 2020 through September 30, 2021, providing that expenditures for said fiscal year shall be made in accordance with the said budget; providing for the incorporation of premises; providing a savings clause; providing for cumulative repealer clause; providing for severability; providing for publication; providing for engrossment and enrollment; and providing an effective date.**

City Manager Lusk stated that at this time Council must approve the budget before we can go on to the tax rate.

Mayor Dane-Patterson listed the key items of the budget:

- 5-year Payback to Reserve
- 10% w/s increase for Non-Residential
- 15% w increase for residential and \$3 increase for commercial
- \$2.00 Drainage increase for Residential and \$3.00 increase for Commercial
- Audit fees reduced by \$8,000
- Attorney fees increased by \$25,000
- Sprinkler removed from Old City Park of \$10,000
- Fence repairs increase from \$10k to \$14k
- 10 % +50k Revenue Fee transfer from W/S to GF
- 50k Well Maintenance Contingency line item
- Voter Approved Rate (V.A.R.) Revenue @3.5% of .619717

Councilmember Cordell asked about the average monthly water bill rate.

Mayor Dane-Patterson stated in the past several years the tax rates were as follows:

- 2012 - .68
- 2013 - .67
- 2014 - .68
- 2015 - .64
- 2016 - .59
- 2017 - .55
- 2018 - .56
- 2019 - .54
- 2020 - .58

City Manager Lusk stated that in both the M&O and I&S dropped.

Councilmember Singleton moved to approve an adopt the budget presented for Fiscal Year October 1, 2020 through September 30, 2021. Councilmember Porter seconded the motion. The motion Passed.

Ayes: Dane-Patterson, McIlravy, Porter, Singleton

Nays: Cordell, Simpson

5. **Public hearing on the proposed tax rate for the City of Pilot Point for tax year 2020. This is for the new tax rate of .641228, which is the Voter Approved Rate from Denton County.**

Mayor Dane-Patterson opened the public hearing at 7:51 pm.

City Manager Lusk stated that the public hearing is for the tax rate of 0.641228 per \$100 property valuation.

There were no public comments.

Mayor Dane-Patterson closed the public hearing at 7:52 pm.

6. Discuss, consider, and possible action on a resolution placing a proposal on the September 14, 2020 Council Agenda to adopt the 2020 Tax Year Proposed Property Tax Rate equal to \$ 0.619717 per \$ 100 value for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

During the September 9, 2020 Budget Workshop, Council had approved a tax rate of .641228 per \$100 value for the fiscal year. Mayor Dane-Patterson moved to approve a resolution to not adopt the tax rate of \$0.641228. Councilmember Singleton seconded the motion. The motion passed unanimously.

Ayes: Porter

Mayor Dane-Patterson moved to approve a resolution to adopt the tax rate of adopt \$0.619717 per \$100 value for the fiscal year beginning October 1, 2020 and ending September 30, 2021. Councilmember Singleton seconded the motion. The motion Passed.

Ayes: Dane-Patterson, McIlravy, Porter, Singleton

Nays: Cordell, Simpson

**I. FUTURE AGENDA ITEMS/REQUESTS BY COUNCILMEMBERS TO BE ON NEXT AGENDA**

*Councilmembers shall not comment upon, deliberate, or discuss any item that is not on the agenda. Councilmembers shall not make routine inquiries about operations or project status on an item that is not posted. Any Councilmember may, however, state an issue and a request that this issue be placed on a future agenda.*

Councilmember Porter wants Public Works Director Vandagriff or Capital Projects Manager Kaminski to come and talk about drainage.

Councilmember Simpson wants to look at the noise ordinance for discussion on times and possible enforcement.

**J. ADJOURN**

Mayor Dane-Patterson moved to adjourn at 7:56 pm. Councilmember Singleton seconded the motion. The motion passed unanimously.

  
Shea Dane-Patterson, Mayor

**ATTEST:**

  
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Lenette Cox, Acting City Secretary