

City of Pilot Point, Texas

Minutes of the July 13, 2019

City Council Special Meeting

The City Council of the City of Pilot Point, Texas met on this date at 9:00 a.m. for a Special City Council meeting. City Council members present were Mayor Shea Dane-Patterson, Jim Porter, Whitney Delcourt, Matt McIlravy, and Andy Singleton. City Staff members present were City Manager Alan Guard, Librarian Wendy Turner, Finance Manager Lana Ensminger, Police Chief Tim Conner, Development Services Director John Taylor, Main Street Director Lenette Cox, Public Works Director Trent Vandagriff, and City Secretary Alice Holloway.

AGENDA

A. ROLL CALL/CALL TO ORDER

Mayor Dane-Patterson announced a quorum at 9:08 a.m. and called the meeting to order.
Absent: Cordell

B. 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.)

NA

C. REGULAR AGENDA

- 1. Discuss, consider, and possible action on the Final Plat, related Subdivider's Agreement and Park Land dedication for Mustang Creek Subdivision, also described as plus or minus 14.94 acres in the C. Smith Survey, Abstract No. 1139, in Denton County, Pilot Point, Texas for the creation of a 64-lot residential subdivision. The property is generally located on North Montague Street, bordered to the north by West Gould Street and the south by FM 1192.**

Development Director Taylor stated that the developer has agreed to dedicate the additional parkland lots (three park lots) to the City. In addition, he stated that they are willing to dedicate a 4-year maintenance period in which the HOA will pay for all maintenance on the dedicated park lots.

Mr. Taylor stated that as for the playground equipment shown previously, it has been removed and now states that the City Manager will approve the equipment. City Manager Guard stated that he will make sure that the parks board approves the equipment.

Mr. Taylor stated that the performance bond has been reviewed by the city attorney, she is good with it and all the attachments and exhibits. In addition, he stated that the detail of the performance bonds is not included. He stated that the subdivider's agreement states that there will be a performance bond with details and the city attorney must approve it.

Mayor Dane-Patterson asked if council would be provided with updates for the development notebooks that each council member has. Mr. Taylor answered yes.

Councilmember Porter moved to approve the subdivider's agreement as presented. Councilmember McIlravy seconded the motion. The motion passed unanimously.

Ayes: Dane-Patterson, Delcourt, McIlravy, Porter, Singleton

Absent: Cordell

2. **Discuss, reconsider, and possible action on an agreement with the Elim Group for Council-Manager training.**

Councilmember McIlravy moved to table this item until July 22, 2019. Councilmember Singleton seconded the motion. The motion passed unanimously.

Ayes: Dane-Patterson, Delcourt, McIlravy, Porter, Singleton

Absent: Cordell

D. WORKSHOP

1. **Budget Workshop**

City Manager Guard stated that each council place has a copy of the preliminary budget for the General Fund and Utility Fund.

City Manager Guard stated that the city adopted a budget for 2018-2019 with just under \$4,000,000 in revenue and just under \$4,000,000 in expenditures. He stated that we have had an anticipated change of \$95,000 to the positive and we revised it now to where we were going to originally going to be short \$27,000 which would have left us with an unacceptable level of fund balance. In addition, he stated that our policy is to be at 25%. City Manager Guard stated that he has gone through and worked with everybody and now the city is in the positive \$47,000. Mr. Guard stated that the directors are being very careful to not spend unnecessarily funds through the end of the 2019 budget. Mr. Guard stated that we are left with over \$1,000,000 in the fund balance which is over 25%.

City Manager Guard stated that we will not get anymore updates on the preliminary tax roll until we get the certified roll and that they have completed the appeals and they are adding the properties values back into the system.

Mr. Guard stated that there would be much more information to come. Mr. Guard said he would not be able to nail down things like taxes until receiving the certified tax rolls from DCAD on or before July 25.

City Manager Guard stated that the city will have the certified tax roll by July 25th. In addition, he stated that once we have it, we can figure the anticipated tax dollars due to the city. Mr. Guard stated that he will bring three more budget senecios to council to council.

City Manager Guard gave a presentation regarding the following:

General Fund

- Revenues
- New GF positions
- Sales Tax Revenues
- Drainage – Increase for culverts and concrete safety ends - \$25,000
- Drainage Fee increases- Can be removed if Council does not want to increase the fee. (From \$3.00 to \$4.00 for residents and \$15.00 to \$20.00 for commercial. Churches would be \$4.00)
- FY 2020 Certified Tax Rolls
- GF Property Taxes
- Council Options-Rollback Rate \$0.585595

Mayor Dane-Patterson asked for confirmation there was no salary increases in budget because all the departments showing in budget that the salaries are increased.

City Manager Guard stated that there are no increases and what it is showing is due to staff change and both police and fire department went over in budget under salary in 2018 budget.

City Manager Guard stated that the prior practice in public works was hiring personnel with no experience and now public works have been hiring personnel with experience. He stated this in results with higher starting pay. Public Works Director Vandagriff stated you get what you pay for and his goal is to hire guys with skill sets.

City Manager Guard stated that there are increases in utility because we are appointing crew leaders.

City Manager Guard asked for direction regarding the following three items:

- 1) 2 crew members for parks and custodian for city buildings
- 2) Advertise Rollback Rate
- 3) Add Police Officer
- 4) Drainage fee
- 5) Add 3% mid-year raise

Mayor Dane-Patterson asked if the buildings are going to continue cleaning after hours. City Manager Guard stated that the hours will be set where the buildings could be clean on Friday afternoons or Saturday mornings.

Mayor Dane-Patterson stated to City Manager Guard the he had stated that there is not an increase in salary or raises, but if you look at what's budgeted in 2019 and 2020 there is an increase. Administration budget shows from \$228,000 to \$239,000.

City Manager Guard said new people are getting raises for their first anniversary, and police and fire got step raises.

Mayor Dane-Patterson stated that you said they did not get raises this year.

City Manager Guard stated this year they didn't.

Mayor Dane-Patterson stated they got the 2%.

City Manager Guard stated that was non-sworn. Police and Fire both got steps.

Mayor Dane-Patterson said "Let's just go by department". Administration went from \$228,000 to \$239,000.

City Manager Guard asked, "Who did you give a \$10,000 raise to?"

Mayor Dane-Patterson said "That was already in the 2019 budget."

City Manager Guard said "The \$10,000 raise for Alice was not in the budget. She had a 2% raise."

Mayor Dane-Patterson said "There are increases showing in every department. What is that?"

City Manager Guard stated what you are seeing is a dynamic where people are going, and new people are coming in at different rates because of their skills. He stated that in past, management had a methodology to only budget 90% of the police and fire and he did not do that. He stated that he added the whole amount in the 2019/220 budget. In addition, he stated what you are seeing in the public works is we are planning for crew leaders instead of people with less skills.

Mayor Dane-Patterson asked if anyone has talked to the parks board about the City Manager's plans for the parks department crew. Councilmember McIlravy stated that parks board is wanting a parks member to help with recreation.

Utility Fund

- Recap of FY 2019
- FY2020 Going forward
- FY 2020 New Items
- Capital Projects, Wastewater Treatment Plant
- Impact of Rates
- Reserves
- New positions (one for water and one fore sewer)
- Capital equipment

Capital Projects

- Water line replacement - \$250,000 per year
- Sewer line replacement - \$250,000

- Wastewater Treatment Plant - \$78,000 per year of debt payment for 20 years at 4% interest
- Wastewater plant project schedule
- Land acquisition – August 2019
- Permitting-As we go
- Engineering design – September through January 2020
- Council award bid – June 2020
- Construction to Completion – August -2020 through September 2021
- Estimated Cost \$13,000,000

How to fund above projects:

- Pay as your go – Hydrastop valves and manhole rehabilitation
- Sell debt for the water and sewer projects and new WWTP-Texas Water development board – save 100 basis points from Co's.
- Water rates compared to other cities
- Reserves
- This budget adds \$443,000 to UF Reserves
- Must get ready to pay bonds for sewer plant
- Rate study in FY 2020 – 10-year outlook
- Impact fee study – Complete by December 2019, implement 2020

City Manager asked for direction on the following

- 12 % rate increase
- TWDB Loan for sewer plant

City Council directed City Manager Guard to move forward as proposed.

Capital Projects

Capital program 2019-2023

- Public Building
- Streets
- Drainage Plan
- Sidewalks

Street Program:

- Bids out next week
- Bids received in August 16, 2019 Council Awards bids in August
- Construction starts in September

Police Station:

- Bids were due June 28th - Bids came in over budget
- Directed Eikon and Schmoltdt Construction to value engineer the project and get additional bids
- Bids award and groundbreaking have been moved back at least one month.

Fire Station

- Working on bid documents
- Out for bid – Estimated July
- Received – Estimated August
- Council awards bids- September
- Groundbreaking -September or October

Sidewalk Program and Drainage Plan

- Sidewalk Program - \$500,000 General Obligation Bonds
- \$400,000 Safe Route to Schools Grant in process
- Drainage Master Plan - \$500,000 General Obligation Bonds
- Finish Police and Fire Station - \$2,000,000
- \$3,000,000 total in bond sale – work with PointBank again on private placement

Impact on Bond Program

- Tax rate increase of \$0.03 in FY 2020
- Estimated tax rate increase of \$0.06 in FY 2021

City Manager Guard stated he would bring four budget scenarios including one using the effect rate the week before the first meeting in August.

Bob Heuman asked why the council had not pulled the money out of reserves to fix the emergency sirens. Mayor Dane-Patterson asked for the sirens to be placed on the next agenda.

E. 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.

Mayor Dane-Patterson asked for the warring sirens to be placed on the next agenda.

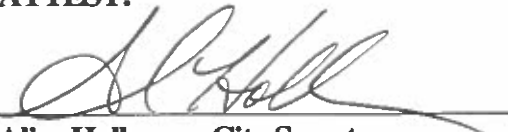
F. ADJOURN

Mayor Dane-Patterson moved to adjourn at 10:25 am. Councilmember McClravy seconded the motion. The motion passed unanimously.



Shea Dane-Patterson, Mayor

ATTEST:



Alice Holloway, City Secretary

Approved August 19, 2019