

REGULAR CALLED MEETING
City Council
June 14, 2016

The City Council of the City of Brownwood, Texas, met in a Regular Called Meeting on Tuesday, June 14, 2016, at 9:00 a.m., in the Council Chambers, City Hall, 501 Center Avenue, Brownwood, Texas, with the following members present:

Stephen E. Haynes	:	Mayor
H. D. Jones	:	Councilman – Ward 1
Ed McMillian	:	Councilman – Ward 2
Draco Miller	:	Councilman – Ward 4
Jerry DeHay	:	Councilman – Ward 5
Emily Crawford	:	City Manager
Pat Chesser	:	City Attorney
Christi Wynn	:	City Secretary

with Councilman Larry Mathis absent, constituting a quorum of the City Council.

CALL TO ORDER: Mayor Haynes called the meeting to order.

PLEDGE OF ALLEGIANCE: Pledge of Allegiance was led by Councilman Jones.

INVOCATION: Invocation was given by Councilman DeHay.

ITEMS TO BE WITHDRAWN: None

INTRODUCTIONS, ANNOUNCEMENTS, AND RECOGNITIONS:

Presentation of appreciation from Central Texas Veterans' Memorial.

Dr. Stephen Kelly presented the Council with a custom commemorative engraved Bowie knife to show appreciation for the help and support given by the City to make the Central Texas Veterans' Memorial possible.

Introduction of the Purchasing Supervisor, Mary Brown, and acknowledgement of the new responsibilities of the Assistant Director of Finance, Melanie Larose.

Finance Director, Walter Middleton stated that with the retirement of our long-time Director of Purchasing, Gaylon Day, the Purchasing Department was consolidated into the Finance Department which now supervises Accounting, Purchasing, and Utility Billing. Mary Brown was promoted to fill the new position of Purchasing Supervisor. She has been with the City for ten years and has been a buyer in the Purchasing Department for eight years. She has been very involved in Purchasing policies and procedures during this time. She recently attended the LBJ School of Public Affairs at the University of Texas to receive training in state purchasing guidelines and requirements. Mr. Middleton introduced Mary Brown. Mr. Middleton stated that with the reorganization of these departments, Melanie Larose was assigned primary supervision over the departments and her job title has been changed to Assistant Director of Finance. She is being cross-trained in Purchasing policies and procedures and also

attended the training at the LBJ School of Public Affairs. She has already been cross-trained in the Utility Billing department. Melanie has been the City’s Chief Accountant for more than fifteen years and is also primarily responsible for the City’s time management system. She is well placed to oversee these operations and take over these additional responsibilities. Mr. Middleton recognized Melanie Larose. He also recognized the Utility Billing Supervisor, Lydia Castaneda, who has been with the City for twenty-nine years. A round of applause was given for all.

CITIZEN PRESENTATIONS: None

ORDINANCES AND RESOLUTIONS:

Consider all matters incident and related to the issuance and sale of “City of Brownwood, Texas, Combination Tax and Revenue Certificate of Obligation, Series 2016”, including the adoption of an ordinance authorizing the issuance of such certificate of obligation and approving all other matters incident thereto.

Mayor Haynes asked for the Ordinance to be read by the City Secretary. After the reading of the Ordinance, George Wilford of First Southwest addressed the Council and stated that this issue has been before the Council several times and this is one of the final steps for the final sale of the certificates of obligation. After getting the bid from Texas Bank, the City will save \$5,000. Mr. Wilford stated that the construction proceeds will be \$3,000,000 as planned and the true interest cost rate will be 4.08%. Mr. Wilford stated that the next two years will see an increase of \$140,000 of debt service and was structured that way until another certificate of obligation pays off in 2018.

A motion was made by Miller, seconded by DeHay, to adopt an Ordinance authorizing the issuance and sale of “City of Brownwood, Texas Combination Tax and Revenue Certificate of Obligation, Series 2016” and approving all other matters related thereto. Upon vote, motion carried as follows:

For:	Against:	Absent:
DeHay	McMillan (due to the amount of the CO -	Mathis
Jones	would have been in favor of \$2M)	
Miller		

ORDINANCE NO. 16-06

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BROWNWOOD, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2016; LEVYING AN ANNUAL AD VALOREM TAX AND PROVIDING FOR THE SECURITY FOR AND PAYMENT OF SAID CERTIFICATES; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT.

APPROVAL OF MINUTES:

A motion was made by McMillan, seconded by Jones, to approve the minutes of the Chamber Luncheon of May 20, 2016, the Regular Called Meeting of May 24, 2016, and the Willis Creek Channelization Study Presentation of May 24, 2016 as presented. Upon vote, motion carried unanimously.

CLAIMS AND ACCOUNTS:

Assistant Finance Director, Melanie Larose was present for questions regarding the check list. A motion was made by DeHay, seconded by McMillan, that the Claims and Accounts dated through June 10, 2016, be approved for payment as submitted. Upon vote, motion carried unanimously.

PUBLIC HEARING:

Conduct a Public Hearing and consider an Ordinance on first reading closing an alley located between 1108 and 1110 West Baker, being Lot 1, Block 21, and Lot 4, Block 20 of the Brookesmith Brownwood Subdivision, beginning at West Baker and continuing 150' Northeast to an alley.

Mayor Haynes opened the public hearing. City Manager Crawford stated that property owner, Melody Mittelsteadt, owns from 1102 – 1112 West Baker. There is an undeveloped alley that runs through her property. There are no utilities or any type of trash service that is picked up on that alleyway. The owner has petitioned the city to close and abandon the undeveloped portion of the alley.

Property Owner within 200' Dottie Lane addressed the Council and stated that she would like to have the section of land that she owns on Belle Plain considered for a closure of an undeveloped alley as well. She stated that she will fill out the petition and begin the process to have it changed. Ms. Lane spoke about some of her neighbors that may be requesting the closure of the alley on their property as well.

Mayor Haynes closed the public hearing and asked for the Ordinance to be read by the City Secretary. After the reading of the Ordinance, a motion was made by DeHay, seconded by McMillan, to approve an Ordinance on first reading closing an alley located between 1108 and 1110 West Baker, being Lot 1, Block 21, and Lot 4, Block 20 of the Brookesmith Brownwood Subdivision, beginning at West Baker and continuing 150' Northeast to an alley. Upon vote, motion carried unanimously.

ORDINANCE NO. 16-

AN ORDINANCE ORDERING THE CLOSING, VACATING, AND ABANDONMENT OF AN ALLEY LOCATED BETWEEN 1108 AND 1110 WEST BAKER, BEING LOT 1, BLOCK 21, AND LOT 4, BLOCK 20 OF THE BROOKESMITH BROWNWOOD SUBDIVISION, BEGINNING AT WEST BAKER AND CONTINUING 150' NORTHEAST TO AN ALLEY; FINDING THAT A PROPER PETITION HAS BEEN RECEIVED FROM THE OWNER(S) OF THE PROPERTY ABUTTING AND ADJOINING SAID ALLEY TO BE CLOSED; FINDING THAT THE CLOSING, VACATING, AND ABANDONMENT OF SAID ALLEY IS TO THE BEST INTEREST OF THE CITY OF BROWNWOOD AND ITS CITIZENS; FINDING THAT SAME SHOULD BE CONVEYED BY QUIT CLAIM DEED TO THE ABUTTING LANDOWNER(S) AND OWNER(S) OF RECORD OF THE ALLEY VACATED; AND AUTHORIZING THE MAYOR TO EXECUTE SUCH DEED FOR THE CONSIDERATION SPECIFIED HEREIN.

REQUESTS AND PRESENTATIONS:

Consider authorizing the Mayor's signature on an annual certification of the military equipment display at Camp Bowie Memorial Park requested from the United States Army TACOM Life Cycle Management Command.

Mayor Haynes stated that the recent item of the aircraft at the Brownwood Regional Airport needing to be painted, raises the question if all of this equipment will need to be repainted.

Parks Director, David Withers, stated that the National Guard repainted the equipment for us about ten years ago, but we have never been asked for repairs or maintenance on any of the displays.

A motion was made by Miller, seconded by Jones, to authorize the Mayor's signature on an annual certification of the military equipment displayed at Camp Bowie Memorial Park requested from the United States Army TACOM Life Cycle Management Command. Upon vote, motion carried unanimously.

BIDS:

Consider accepting a bid for six HVAC units for the Joint Law Enforcement Center.

City Manager Crawford stated that last August two air conditioning units were replaced at the Law Enforcement Center over the Municipal Court area that were aging units and were no longer functional. This was an emergency type replacement, and we find ourselves in that same situation with the six units over the Police Department side. The units are original to the building and are now fifteen years old. From April 2015 to May 2016, the City has spent \$4,517.50 in repairs to keep the HVAC units in operation. We went out for proposals and five were received. After the research of the specs of the bids, the City recommends using 1 Source Technical Services as their proposal met the specifications of high efficient / performance units for a total cost of \$74,842.10.

Code Administrator, Tim Murry, addressed the Council and stated that there were three different brand models proposed, Lenix, Train, and Carrier units. He compared the model numbers with the efficiency proposed. The Train units have a higher efficiency static motor and have outperformed the other units in efficiency. He stated that the efficiency savings should be substantial compared to the units we have now. Mayor Haynes asked if there was any difference in warranty of the proposed units. Mr. Murry stated that the Train units have a ten year warranty on parts and labor and the other units were not mentioned. The Train units had a guarantee that once ordered and received could be installed within three to five days.

Councilman McMillan stated that the Train units have a closed dealership and it is harder for an independent to get parts and you are bound to one company for repairs. He stated that in our area, we do not need high heat units and may not need a high static unit. Councilman McMillian stated that he was against going with the higher bid, because he didn't feel the efficiency is that much greater than the Carrier model. He recognized Roberts and Petty in the audience. Mr. Murry stated that a high static unit will provide more air through the unit and will get full efficiency of the unit. Mayor Haynes stated

that he preferred to use the contractors that have their business inside the City of Brownwood. Mr. Murray stated that their second choice would be Roberts and Petty.

A motion was made by Miller, seconded by McMillan, to deny 1 Source Technical Service as presented by City Staff and award the bid to Roberts and Petty for the replacement of six (6) HVAC units at the Joint Law Enforcement Center in the amount of \$65,990.00. Upon vote, motion carried unanimously.

AGREEMENTS AND CONTRACTS:

Consider an extension of a contract between the City of Brownwood and James Blair Hays, M.D. to serve as the City's Public Health Authority.

City Manager Crawford stated that this is a two-year contract with the same payment terms as in the past, which is based off of the grant funds that we receive.

A motion was made by DeHay, seconded by Jones, to approve an agreement between the City of Brownwood and James Blair Hays, M.D. to serve as the City's Public Health Authority and authorization for the City Manager to sign the agreement. Upon vote, motion carried unanimously.

ORDINANCES AND RESOLUTIONS:

Consider a Resolution authorizing the Mayor to sign contracts and amendments with Texas Department of Aging and Disability Services (DADS) for the Senior Citizen Program.

A motion was made by DeHay, seconded by Miller, to approve a Resolution authorizing the Mayor to sign contracts and amendments with Texas Department of Aging and Disability Services (DADS) for the Senior Citizen Program. Upon vote, motion carried unanimously.

Resolution No. R-16-10

Consider a Resolution approving a dissolution plan for the Brownwood Economic Development Corporation.

City Attorney Chesser stated that after a successful election which terminated the BEDC and created the Municipal Development District (MDD), State law requires that the BEDC wind down its affairs and continue operations only as necessary to pay the principal and interest on the BEDC's bonds and to meet financial obligations incurred before the date of the election, and to dispose of BEDC's assets and apply the proceeds to satisfy the BEDC's bonds and obligations. Both the City Council and the BEDC Board are required to approve the plan of dissolution for the BEDC. After all has been done, it will be certified and sent to the Comptroller that all debts are paid. On October 1, 2016, the MDD will begin to accrue the tax allocations. The first payment to the MDD won't be until December 9, 2016. Attorney Chesser went through the Dissolution Plan as follows: **1) Bonds** – The BEDC has not issued any bonds but have, by agreement with the City, agreed to pay 34.78% of the City's 2003 Certificate of Obligation for improvements to City streets, including Marketplace Boulevard. The Balance owed on the 2003 CO is \$434,800.00 and BEDC's portion is \$151,223.00. **2) Debts** – A) Citizens National Bank – Loan to pay for the construction of public parks, park facilities, and open space improvements; amateur sports and athletic facilities as authorized by election

conducted on May 10, 2008. Balance owed is \$1,151,014.87. B) Texas Capital Fund Project – under the Texas Capital Fund Program, the City constructed a 27,000 square foot building on a six-acre tract owned by the City and leased the building and property to Barr Fabrication. The building construction was funded by the Texas Capital Fund Loan in the amount of \$750,000.00. Barr is obligated by the lease between it and the City to pay back the loan through lease payments. The City is obligated by the terms of the program to forward the lease payments to the Texas Department of Agriculture, the agency which administers the Program. Once all lease payments have been made to the City and in turn remitted by the City to the TDA, the City will deed the building and property to Barr. If Barr defaults on the lease payments, the City is obligated to repay the balance of the Loan, which has a current balance of \$457,000.00. The BEDC provided a guarantee to the City to guaranty repayment of the Loan by Barr. The building has appraised by the Brown County Appraisal District at a value of \$738,000.00. The TDA agreed that it was permissible for the BEDC's guaranty to be released. The City Council agrees to release the BEDC's guaranty obligations. **3) Project Financial Obligations** – a) Leeco \$340,000.00 b) 3M – Micro Prismatic \$300,000.00 c) 3M – Silk Surface \$250,000.00 d) Wright Asphalt \$150,000.00 e) Ranger College \$30,000.00 f) B&W Carrier, Inc. \$35,000.00. The BEDC will create and fund a reserve/escrow account through the use of cash on hand, to be administered by the City and/or the Brownwood Municipal Development District to pay for ongoing project financial obligations in the amount of \$1,105,000.00. **4) BEDC Operations Expenses / Contingencies** – a) BEDC staff salaries, expenses, and benefits through June 30, 2016 \$10,000.00. b) Future miscellaneous project expenses / costs, unknown contingencies, including potential claims \$50,000.00. **5) BEDC Agreements – ASSETS** – 1) Cash on Hand: \$4,234,361.70 (prior to payments set forth above in the amount of \$2,467,237.87.) Net cash after payments shall be \$1,767,123.83. 2) Real Property will be transferred to the City and all or some will be transferred to the MDD. Personal Property as well as leases will be transferred to the MDD as well.

A full copy of the Dissolution Plan for the BEDC is copied in the Resolution book number five.

A motion was made by DeHay, seconded by Jones, to approve the Resolution approving the dissolution plan for the Brownwood Economic Development Corporation. Upon vote, motion carried unanimously.

RESOLUTION NO. R-16-11

A RESOLUTION OF THE CITY OF BROWNWOOD, TEXAS, APPROVING THE DISSOLUTION PLAN FOR THE BROWNWOOD ECONOMIC DEVELOPMENT CORPORATION; AUTHORIZING THE CITY MANAGER AND HER DESIGNEES TO TAKE ANY AND ALL ACTIONS TO FOLLOW THROUGH AND COMPLETE THE PLAN; AND AUTHORIZING THE MAYOR TO SIGN ANY DOCUMENTS NECESSARY TO FOLLOW THROUGH AND COMPLETE THE PLAN, INCLUDING THE ASSIGNMENT AND TRANSFER OF ALL ASSETS OF THE BEDC REMAINING AFTER ITS BONDS, DEBTS AND FINANCIAL OBLIGATIONS HAVE BEEN SATISFIED.

REPORTS:

Staff budget meetings.

City Manager Crawford stated that the budget meetings with staff will begin next week. Budget meetings with Council will be in July.

Recent Flooding.

City Manager Crawford stated that the most significant damage that we received from recent flooding was at Riverside Park where the bank washed out. Engineering and the Assistant City Manager are working on how we are going to resolve that issue. It will be reported with the disaster summary, so there may be some funding to help with the solution.

EXECUTIVE SESSION:

Council convened into Executive Session at 9:55 a.m., in the Haynes Conference Room, pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code Vernon's Texas Codes Annotated, in accordance with the authority contained therein to discuss the following:

Section 551.071 – Consultation with Attorney

Section 551-072 – Deliberation Regarding Real Property

A. Discuss possible purchase of real property.

Action as a result of Executive Session:

Council reconvened into open session at 10:30 a.m.

The City Council may take any action as a result of executive session, including authorizing the purchase of two tracts of land, one being 1.159 acres and the second tract .730 acres, adjacent to the City's Service Center.

A motion was made by DeHay, seconded by Miller, to authorize the purchase of two tracts of land, one being 1.159 acres and the second tract .730 acres, adjacent to the City's Service Center. Upon vote, motion carried unanimously. Mayor Haynes filed a Conflict Disclosure Statement.

ADJOURNMENT:

There being no further business to come before the Council at this time, Mayor Haynes declared the meeting adjourned.

STEPHEN E. HAYNES, Mayor

ATTEST:

CHRISTI WYNN, City Secretary