

**SPECIAL CALLED MEETING
City Council
August 1, 2019**

The City Council of the City of Brownwood, Texas, met in a Special Called Meeting on Thursday, August 1, 2019, at 4:00 p.m., at the Adams Street Community Center, Auditorium, 511 E. Adams, Brownwood, Texas, with the following members present:

Draco Miller	:	Mayor Pro Tem
H. D. Jones	:	Councilman – Ward 1
Ed McMillian	:	Councilman – Ward 2
Larry Mathis	:	Councilman – Ward 3
Jerry DeHay Walker Willey	:	Councilman – Ward 5
Tim Airheart	:	Asst. City Manager Public Works
Emily Crawford	:	City Manager
Walter Middleton	:	Finance Director
Melanie Larose	:	Asst. Finance Director
Christi Wynn	:	City Secretary

with Mayor Stephen Haynes, absent constituting a quorum of the City Council.

CALL TO ORDER: Mayor Pro Tem Miller called the meeting to order.

BUDGET WORK SESSION:

Mrs. Crawford stated that this budget focuses on replacing safety equipment. Additionally, a 2% pay raise for non-civil service employees is being proposed. This will add approximately \$204,290 to the budget. We are formulating a performance-based criteria for the raises, instead of across-the-board. Civil service (Fire and Police) pay is proposed as a minimum 2% increase, plus additional raises for a total of \$124,170.

Water Revenue – Consumption Rate - There are no changes proposed to the water consumption rate. To project consumption revenue for next fiscal year, we used a four-year average. The proposed budget is 3.1% lower than the 2018/2019 budget, or down \$187,766.

Base Rate - We are proposing an increase of \$3.00 per month to the water base rate for a residential ¾” meter with proportionate increases for larger meters. Based on our annual survey of twelve comparable cities, this would move us from #9 to #8 in the cost of water to an average residential account (#1 being the highest). This will increase total revenue by \$322,210. An average residential household’s monthly base would go from \$25.23 to \$28.23. The reason for the increase is water consumption revenue year-to-date, is down \$644,864 compared to last year or 13.1%. We have not met water consumption revenue projections due to heavy rainfall. Increasing the base rate will insulate the budget from underperformance due to fluctuation in consumption.

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Sanitation Revenue - We are proposing an increase of 3% to the sanitation rate. This would cause the monthly residential rate to go from \$21.74 to \$22.39, an increase of 65¢ per month or \$7.80 per year. We do not have a survey of comparable cities for sanitation services, because the level of service differs and many cities have independent contractors. We met with a private contractor recently, and the company said there was no way they could provide twice a week pick-up and free brush and bulky item pick-up at comparable rates. Total sanitation revenue would increase by \$96,000. The reason for the increase is to cover the cost of service delivery. We are proposing the purchase of a new brush truck with grapple. Mrs. Crawford and Mr. Airheart spoke about this being the last residential route to change over to the roll-out carts instead of dumpsters in the alley. Research has shown that the City has been making this transition for over forty years. Mr. Airheart explained that blue roll-out carts were chosen for regular trash service and green roll-outs were intended for recycling. Since that program never took off, both colors of roll-outs are used for trash pick-up.

Mrs. Crawford stated that there is a new item in the budget for a landscaping company to take care of the Traffic T. This area is maintained by Keep Brownwood Beautiful (KBB) and TxDOT (twice a year). Council has asked for the area to be mowed and planted on a regular basis which can be best managed by a professional landscaper. Councilman Willey suggested KBB shift their focus on the Martin Luther King Plaza and other areas designated in the contract.

Sewer Revenue - We are proposing a 3% increase in sewer rates. This would cause the minimum monthly rate to go from \$26.88 to \$27.68, an increase of 80¢ per month or \$9.60 per year. This will not move us in the ranking of twelve comparable cities, where we would continue to be ranked #9. Total sewer revenue would increase by \$115,794. The reason for the increase is due to lower water consumption. Sewer revenue year-to-date is down \$293,889 compared to last year or 8.4%. The sewer rates are based upon water consumption over the months of November, December and January.

Automated Meter Reading (AMR) - We have included software and additional meters to implement the first phase of AMR this year. The increase to the budget is \$80,000. We plan on utilizing budget funds over five years to complete the project in lieu of debt issuance. Mrs. Crawford stated that there are 960 automatic meter reading meters in the ground thus far.

Landfill Gate Rate - We are proposing an increase of \$2.00 per ton. The gate rate would go from \$42 per ton to \$44. Based on a survey of rates charged by other landfills, this still leaves us in the middle of the rate structures used at other landfills. On the expense side, the overall costs increased by \$154,125. This was due to including a guaranteed buyback of \$175,000 in the budget for a D8 Dozer that is paying off this year. This amount is offset on the revenue side for the payment from the vendor.

Fleet Replacement - Phase 2 of the Enterprise fleet replacement program will replace 17 vehicles in the current year, including 4 Tahoe police vehicles and 13 in the white fleet. The budget will increase by \$74,062 for current year lease payments, savings on fuel and

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maintenance and trade-in value for vehicles being replaced. The budget will also increase by \$66,232 for Phase 1, since we have twelve payments in the second year and will not have trade-in values and other savings to offset the cost.

Mrs. Crawford stated that there were many requests that came in this year for facility improvements in an amount around \$1.5 million. This item will be addressed at the next budget meeting with the tax note discussion.

Council took a break for a meal.

Mrs. Crawford went over the pay history for 22 years and reviewed the salary survey for civil service. She went over the pay requests of Fire and Police and Council discussed each in detail. For Fire, \$72,631 was recommended in order to provide the same step pay levels as Police and at least a 2% increase for positions not impacted. For Police, Council discussed what cities were the best comparisons and how much above average the City could commit to. Council requested 7% above average, and at least a 2% increase for positions not impacted, being \$58,039.

Subsidies – Council looked over the subsidies list and did not request any changes. Councilman Miller had an emergency call and left near the end of this discussion.

ADJOURNMENT:

Mrs. Crawford announced that we will meet again on August 6th, at 4:00 p.m. to have another budget workshop.



STEPHEN E. HAYNES, Mayor

ATTEST:



CHRISTI WYNN, City Secretary