

**ABILENE CITY COUNCIL
MINUTES OF:**

CITY COUNCIL BUDGET WORKSESSIONS

**July 16, 2003
July 17, 2003**

REGULAR CITY COUNCIL MEETING

**July 24, 2003
and**

MUNICIPAL DRAINAGE UTILITY SYSTEM WORKSHOP

July 24, 2003

BUDGET WORKSESSION

JULY 16, 2003, 8:30 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS CITY COUNCIL CHAMBERS OF CITY HALL

The City Council of the City of Abilene, Texas, met in Budget Worksession at 8:30 a.m. on July 16, 2003, in the Council Chambers of City Hall. Mayor Grady Barr was present and presiding with Councilmen Norm Archibald, Kris Southward, Anthony Williams, John Hill, Jimmy McNeil, and Councilwoman Kay Alexander. Also present were City Manager Larry D. Gilley, Assistant City Manager's Michael Morrison and Kathy Merrill, Director of Finance David M. Wright, Assistant Director of Finance Mindy Whisenhunt, City Attorney Sharon Hicks, City Secretary Jo Moore, and various other members of staff.

Mayor Barr called the meeting to order.

Councilwoman Kay Alexander gave the invocation.

Mayor Barr reviewed the expected schedule for the Budget Worksessions, stating the worksession today should conclude by 12:30 p.m. but Council will meet longer if necessary and, if needed, the same schedule will be followed for the next two (2) days. Mayor Barr then turned the meeting over to the City Manager.

City Manager Larry Gilley thanked the Council for their guidance during the budget process and noted the benefit of prior preparation through the budget workshops. Mr. Gilley noted the challenges of the 2004 budget, and stated his appreciation to staff for their assistance and work on the budget.

Mr. Gilley also noted areas in which budget reductions are being recommended and then reviewed the following through a PowerPoint presentation:

FY 2003-2004 Proposed Budget Expenditures/Revenue percentages for each Fund.

BUDGET OVERVIEW

General Fund (includes current stormwater expenditures)	\$55,442,110
G.O. Debt Service Fund	\$ 5,370,940
Community Development Block Grant (CDBG)	\$ 1,385,530
HOME	\$ 653,110
Housing Fund	\$ 4,925,910
Health Services Fund	\$ 3,178,580
Transportation Planning Fund	\$ 199,020
Seized Funds	\$ 66,673
Water & Sewer Operating Fund	\$27,667,440
Abilene Transit System Fund	\$ 4,801,310
Solid Waste Services Fund	\$ 9,163,000
Stormwater Utility Fund	\$ 1,980,560
Equipment Maintenance Fund	\$ 3,279,500
Equipment Replacement Fund (net after lease financing)	\$ 1,450,610
Central Warehouse Fund	\$ 485,000
Self-Insurance Fund	\$ 8,910,960
Technology Fund	\$ 1,063,370

Abilene Reinvestment Zone	\$ 884,740
Development Corporation of Abilene	\$ 1,946,180

GENERAL FUND

The FY 04 budget proposes a General Fund increase of \$890,160 (1.63% over FY 03 Revised). These costs are associated with the following programs and initiatives:

Personnel Issues:

- 2.5% salary adjustment for civil service, effective in January = \$321,530
- 2.5% average pay-for-performance for non-civil service = \$322,300
- .5% contribution increase for firefighter's retirement = \$40,000
- Annualized cost of FY 03 pay adjustments = \$256,280
- Increased health claims and prescription costs = \$500,000
- TMRS Updated Service Credits = \$20,180
- Police Academy – 15 recruits = \$596,580

Proposed Staffing Changes:

Deletions:

- 5 in Public Works (3 General Fund & 2 Solid Waste Services)
- 8 in Community Services
- 1 in Legal
- 2 in Administrative Services
- 2 in Fire
- 2 in Community Development

Additions:

- 2 in Stormwater Utility
- 2 in Development Corporation of Abilene

Net decrease of ten positions (to 1,143)

General Fund Revenue by Category FY 2003-04

General Fund – Fee Increases:

Municipal Court Late Fee – Changing Maximum	\$ 50,000
Summer Playground Fee	29,250
Cemetery Fee	12,000
Civic Center Stage Hands Fee	5,500
Sale of Coverstone Seal Coat Waste	1,250
Field Preparation for Soccer & Football Games	5,000
Driveway/Curb & Gutter/Sidewalk Permits	590
Plumber Cuts	2,800
Building Inspection Fees – Permit, Contractor's	
Registration & Re-Inspection Fees	43,500
Development Fees	<u>12,200</u>
Total	\$ 162,090

General Fund Revenue 10-Year Comparison
Property/Sales and Franchise Taxes – General Fund 10-Year Comparison
General Fund Expenditures by Category FY 2003-2004
General Fund Expenditure by Department FY 2003-2004

STORMWATER UTILITY

Mr. Gilley briefed the Council on the basis for the establishment of the Stormwater Utility System noting this allows the City to focus more on long term needs. Andy Anderson, Director of Public Works, then briefed the Council on the proposed Stormwater Utility Fund giving a National and Historical perspective overview of the proposed fund. Mr. Anderson explained the different responsibilities of the Water Utilities and Public Works Departments in the areas of quality and quantity issues and addressed mandated regulations. Mr. Anderson noted the fund would utilize 18 existing employees and incorporates two (2) new employees to achieve its goals. The fund would be supported through a utility rate proposed as follows:

Rate Schedule Stormwater Utility Fund

Residential Customers

	<u>Amount of Hard Surface</u>	
10 % of customers	< or = 1,256 square feet	\$1.00 per month
15 % of customers	>1,256 and < or = 1,612 sq ft	\$1.50 per month
50 % of customers	>1,612 and < or = 2,869 sq ft	\$2.15 per month
25 % of customers	> 2,869 square feet	\$2.85 per month

Commercial Customers

10 % of customers	< or = 1,281 square feet	\$11.00 per month
50 % of customers	> 1,281 and < or = 5,122 sq ft	\$19.00 per month
30 % of customers	> 5,122 and < or = 25,215 sq ft	\$25.00 per month
10 % of customers	> 25,215 square feet	\$80.00 per month

As presented the utility fund would generate \$856,982 from residential customers and \$1,131,905 from commercial customers for a total income of \$1,988,887.

Council and staff discussion included: 1) percentages of people in each rate category having been determined; 2) concerns of equability of cost to residential and commercial customers; 3) Council's authority to readjust rates by resolution and establishing an appeal process for residents and businesses; 4) time frame for legal publication of fees requirements; 5) the need for steady annual maintenance of flood control projects; 6) equability of storm water fee in relation to size of structures (square feet), hard surface, and water meters; 7) of the 10 comparable cities processes established by those that have a storm water fee and their flooding and local issues ; 8) storm water fee expected to provide more concentrated effort in creek maintenance and to provide for more long range planning as well as addressing local issues;

9) expected time and resources needed to complete Elm Creek; 10) Council having the authority to cancel the storm water fee; and 11) management and funding of employees that will be utilized through the storm water fee.

Council recessed for a break from 10:00 a.m. until 10:15 a.m.

Council reconvened and discussion continued and included: 1) staff expecting, once established, rates to remain relatively the same and addressed what might occur to cause rates to change; 2) use of fund balance for flood clean up; 3) Council's concerns over the structure of the commercial customers rates going from \$25.00 per month to the next level being \$80.00 per month. Staff stated an additional rate level would be prepared and presented for Council's review tomorrow; and 4) Council requested staff prepare for tomorrow's meeting clarification of square foot and hard surface cost.

WATER UTILITY

Mr. Gilley briefed the Council on the Water Fund Revenue by Category FY 2003-2004 and Water Fund Expenditures by Category FY 2003-2004.

Further Council and staff discussion included: 1) pay increases as compared to 10 comparable cities and justification of more funding for firefighters when they are already closer in range than other employees; 2) pay for performance process and when percentage increases are implemented; 3) reduction in overtime, overtime being closely monitored and procedures that are followed to avoid affecting services; 4) the wide range of services that were considered for reduction along with library services; 5) health insurance considerations; 6) positions not being recommended to be filled due to fiscal reasons, more efficient level of service required; 7) Comprehensive Plan addresses long term planning and budget issues requires addressing short term planning changes; 8) Council requested staff prepare various pay increase scenarios for tomorrow's meeting in order for them to review possible savings; 9) the environmental recycling fee increase; 10) reduction in the library's hours of operation; 11) recreation centers activities and changes in operating hours; and 12) no un-funded budget list having been prepared for this year's budget.

Following the discussion Mr. Gilley reviewed the items as requested by Council that staff would prepare and submit for tomorrow's session.

Mayor Barr announced the Budget Worksessions would resume tomorrow July 17, 2003 at 8:30 a.m. in the City Hall Council Chambers.

There being no further business, the meeting was adjourned at 11:15 a.m.

Jo Moore
City Secretary

Grady Barr
Mayor

BUDGET WORKSESSION

JULY 17, 2003, 8:30 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, CITY COUNCIL CHAMBERS OF CITY HALL

The City Council of the City of Abilene, Texas, met in Budget Worksession at 8:30 a.m. on July 17, 2003, in the City Council Chambers of City Hall. Mayor Grady Barr was present and presiding with Councilmen Norm Archibald, Kris Southward, Anthony Williams, John Hill, Jimmy McNeil, and Councilwoman Kay Alexander. Also present were City Manager Larry D. Gilley, Assistant City Manager's Michael Morrison and Kathy Merrill, Director of Finance David M. Wright, Assistant Director of Finance Mindy Whisenhunt, City Attorney Sharon Hicks, City Secretary Jo Moore, and various other members of staff.

Mayor Barr called the meeting to order.

Councilman Norm Archibald gave the invocation.

Mayor Barr reviewed the expected schedule for the worksession, noting if not concluded today Council would conclude the sessions tomorrow. The Mayor then turned the meeting over to City Manager Larry Gilley.

Mr. Gilley introduced the Office of Neighborhood Services presentation and stated following the ONS presentation staff would review with Council the Multi-Year Outlook.

NEIGHBORHOOD BUILDING PROGRAMS

Richard Gertson, Director of Community Development briefed the Council on the Neighborhood Building Program and the Office of Neighborhood Services as follows:

Concurrent Initiatives:

CDBG & Home

- Resource Base

Comprehensive Planning

- Place and Process Definition

Code Enforcement

- Image and Appearance

Synthesis: The ONS

- Office of Neighborhood Services

Supportive Leadership

- Neighborhood Council
- ONS Advisory Council

Council and staff discussion included: 1) staff's intent is to utilize current employees and resources but future compliance could require other resources resulting in expense; 2) additional code enforcement being accomplished with coordination and cooperation among departments; 3) basic infrastructure for departments to report to ONS is staged but not ready yet; and 4) time frame for implementation of program.

GENERAL FUND MULTI-YEAR OUTLOOK

Mr. Gilley briefed the Council on the multi-year outlook and the year in review. Mr. Gilley stated the budget workshops began in November and topics discussed included:

- Street Maintenance
- Facilities Maintenance
- Health Insurance
- Equipment Replacement
- Technology
- Compensation and Benefits

The multi-year outlook for the General Fund (excluding capital outlay) was reviewed as follows:

	Current Revised	FY 04	FY 05	FY 06	FY 07
Personal Services	\$40,771,950	\$41,695,650	\$42,738,041	\$43,806,492	\$44,901,654
Supplies	1,687,860	1,604,950	1,674,381	1,720,655	1,758,442
Maintenance	1,201,520	1,201,070	1,303,688	1,327,437	1,367,297
Other Services & Charges	9,974,960	10,863,360	10,895,367	11,124,266	11,352,647
	<u>\$53,636,290</u>	<u>\$55,365,030</u>	<u>\$56,611,477</u>	<u>\$57,978,849</u>	<u>\$59,380,040</u>

Council and staff discussion included: 1) the need to continue to look at unmet needs (i.e. street maintenance); 2) addressing updating retiree benefits; 3) reviewing needs on a multi-year basis; 4) expected increases if current level of services are maintained; 5) the tremendous benefit of starting budget workshops in November and Council's preference to continue that process in 2004, with monthly discussions being held on specific issues; 6) possible future bond discussion; and 7) Council could approve first reading of the Ordinance approving the Municipal Drainage Utility System and the rate schedule, for publication compliance purposes, but could amend the rate schedule at a later date.

Staff distributed to and reviewed with Council the Storm Water Utility Rate Option V. Discussion included: 1) base rate x square feet being the most equitable rate; 2) the City's GIS providing the sq. ft. resulting in the basis for the rates; 3) no cost for vacant lots; 4) employees currently addressing storm water issues; 5) total cost for creek maintenance; 6) if storm water maintenance were funded through General Fund how much cost would be; 7) assurance to citizens of protection from flooding; 8) cost being

Budget Worksession

July 17, 2003

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practical?; 10) storm water fee designed from conception to address problems, not to avoid a tax increase; 11) approving first reading of the ordinance approves concept of system, rates can be amended; and 12) a workshop following the July 24, 2003 Regular Council meeting could be held for further review of rate schedule and still comply with 30 day prior to public hearing publication requirements.

It was noted if Council approves the first reading of the Municipal Drainage System Ordinance then a workshop could be scheduled following the Regular July 24, 2003 City Council meeting to consider establishing by resolution a proposed fee schedule. It was further noted the rates will need to be set to generate the needed income of approximately \$1,980,000. Both the Ordinance and rate schedule would then go on the Council's August 28, 2003 agenda as a public hearing and for final approval.

Councilman McNeil made a motion to approve first reading of the Ordinance forming the Municipal Drainage Utility System. Councilman Hill seconded the motion and the motion carried.

AYES: Councilmen Archibald, Southward, Williams, Hill, McNeil, Councilwoman Alexander and Mayor Barr.

NAYS: None

AN ORDINANCE AMENDING CHAPTER 32, UTILITIES, OF THE CITY OF ABILENE MUNICIPAL CODE, BY AMENDING CERTAIN SECTIONS AS SET OUT BELOW; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR ENFORCEMENT; AND CALLING FOR A PUBLIC HEARING.

Council recessed for a break from 9:50 a.m. until 10:05 a.m.

Council reconvened and staff distributed and reviewed with Council the following information:

Summary of Salary Survey Results

- 10 Survey Cities (Spring 2003)
- Non-Civil and Civil Service Positions
- Budget FY 04 Pay Options
- Number of City Employees Eligible for Pay for Performance FY 04

Water & Sewer Capital Projects Fund Statement of Revenues & Expenditures (2003-2004 Budget)

Ten Survey Cities:

Population

Total Assessed Valuation

Gross Tax Rate

G.O. Bond Indebtedness

Total Certificates of Obligation

Municipal Utilities & Facilities

Council and staff discussion included: 1) restoring Saturday operating hours at Cobb and Sears Parks recreation centers; 2) leaving reduction in library hours as recommended; 3) the Water & Sewer Capital Projects Fund increasing; 4) the recommended budget providing basis for city services of high quality but deferring maintenance in some areas; 5) concerns over the Equipment Replacement and Self Insurance funds and needed actions to stabilize both; 6) 27th pay period reserve still on track; 7) future Certificate of Obligations; 8) basis for variances in non-civil and civil service salaries and retirement fund; 9) City Hall renovation currently within budget; 10) Cypress Street building and basement of City Hall completed with completion date for remainder of City Hall being summer of 2004; and 11) Council Chambers audio/video equipment being updated through the Technology Fund.

Following the discussion Councilman McNeil made a motion to approve first reading of the Ordinance approving the Revised 2002-2003 Budget and Proposed 2003-2004 Budget. Councilwoman Alexander seconded the motion, and the motion carried.

AYES: Councilmen Archibald, Southward, Williams, Hill, McNeil, Councilwoman Alexander, and Mayor Barr.

NAYS: None.

AN ORDINANCE APPROVING REVISED BUDGET FIGURES FOR FISCAL YEAR 2002-2003; APPROVING AND ADOPTING BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2003, THROUGH SEPTEMBER 30, 2004, FOR THE CITY OF ABILENE; APPROPRIATING FUNDS; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; CALLING A PUBLIC HEARING.

Councilman McNeil made a motion to approve the first reading of the Ordinance setting the FY 2003-04 Tax Levy at 64.05 cents per \$100 valuation. Councilwoman Alexander seconded the motion, and the motion carried.

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, APPROVING THE ASSESSMENT ROLL FOR 2003, LEVYING AN AD VALOREM TAX FOR THE CITY OF ABILENE, TEXAS, FOR THE YEAR 2003; PROVIDING FOR THE ASSESSMENT AND COLLECTION THEREOF; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; CALLING A PUBLIC HEARING; PROVIDING AN EFFECTIVE DATE.

Mr. Gilley reviewed the time frame and action needed for the August 28, 2003 second readings, public hearings and vote on the proposed Municipal Drainage Utility System Ordinance and Resolution on establishing the rate schedule, the Budget Ordinances and Tax Levy Ordinance.

The budget worksession posted for July 18, 2003 will not be held.

There being no further business, the meeting was adjourned at 10:45 a.m.

Jo Moore
City Secretary

Grady Barr
Mayor

CITY COUNCIL MEETING

July 24, 2003, 8:30 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS CITY COUNCIL CHAMBERS OF CITY HALL

The City Council of the City of Abilene, Texas, met in Regular Session on July 24, 2003, at 8:30 a.m. in the City Council Chambers of City Hall. Mayor Grady Barr was present and presiding with Councilmen Kris Southward, Anthony Williams, John Hill, Norm Archibald, and Jimmy McNeil. Also present were City Manager Larry Gilley, Assistant City Manager Kathy Merrill, City Attorney Sharon Hicks, City Secretary Jo Moore, and various members of the City staff. Councilwoman Kay Alexander was absent.

Councilman Southward gave the invocation.

Will Grindstaff led the Pledge of Allegiance. Will is a kindergartner at Wylie Elementary School. Will was accompanied by his parents, Jeff and Elizabeth Grindstaff. Jeff is employed by the City of Abilene as Land Agent, and Elizabeth is employed by the City of Abilene as Assistant Director of Community Development.

There were no proclamations.

Mayor Barr stated Council would be meeting in workshop immediately following the Regular Session, and although there are no public hearings scheduled the public is invited to stay for the workshop.

DISPOSITION OF MINUTES

2.0 There being no corrections, additions, or deletions to the July 10, 2003 Regular City Council Meeting minutes, Councilman McNeil made a motion to approve the minutes as presented. Councilman Archibald seconded the motion, and the motion carried.

AYES: Councilmen Southward, Williams, Hill, McNeil, Archibald, and Mayor Barr.

NAYS: None.

CONSENT AGENDA

3.0 Councilman Hill made a motion to approve consent agenda items 3.1 through 3.5 and 3.8, and first reading of items 3.6 and 3.7, as recommended by staff. Councilman Archibald seconded the motion, and the motion carried.

AYES: Councilmen Southward, Williams, Hill, McNeil, Archibald, and Mayor Barr.

NAYS: None.

Resolutions:

3.1 Resolution establishing the Neighborhood Advisory Council.

The Resolution is numbered 20-2003 and captioned as follows:

2.0
PS. 10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ESTABLISHING AN ADVISORY COUNCIL TO THE OFFICE OF NEIGHBORHOOD SERVICES.

- 3.2 Oral Resolution authorizing the City Manager to execute Task Order 9 of the Airside Engineering Contract with HNTB Corp. for Taxiway D and G.A. Ramp Reconstruction, Phase I Projects.

Bid Awards:

- 3.3 **Bid #CB-3057** – Police Uniforms. The bid was awarded to Ladd Uniforms, Ft. Worth, Texas on a unit price basis, with the City having the option to extend the contract for four additional one-year terms.
- 3.4 **Bid #CB-3065** – Southwest Drive, Phase II, from Danville Dr. to Catclaw Creek Bridge. The bid was awarded to Contract Paving Co., Inc. in the amount of \$217,796.09.
- 3.5 **Bid #CB-3066** – Ambler Ave. Rehabilitation, Phase III, North Danville Dr. to North Willis. The bid was awarded to J.H. Strain & Sons, Inc. in the amount of \$382,137.70.

Ordinances/Resolutions:

- 3.6 Amend Section 23-262.4, Subdivision Regulations, pertaining to lots and “remainder” lots, and set a public hearing for August 14, 2003 at 8:30 a.m.

AN ORDINANCE AMENDING CHAPTER 23, “PLANNING AND COMMUNITY DEVELOPMENT”, SUBPART D, “SUBDIVISION REGULATIONS,” OF THE ABILENE MUNICIPAL CODE, BY AMENDING CERTAIN SECTIONS AS SET OUT BELOW; PROVIDING A SEVERABILITY CLAUSE; DECLARING A PENALTY; AND CALLING A PUBLIC HEARING.

- 3.7 Amend Chapter 18 of the Abilene Municipal Code; Motor Vehicles & Traffic, Article XIII, Schedules, Sections 18-286, 18-290.1, 18-293, 18-294, and 18-299.

AN ORDINANCE AMENDING CHAPTER 18, “MOTOR VEHICLES AND TRAFFIC”, OF THE ABILENE MUNICIPAL CODE, BY AMENDING CERTAIN SECTIONS AS SET OUT BELOW; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING A PENALTY.

- 3.8 Resolution opposing Congressional Redistricting diluting representation for West Texas.

The Resolution is numbered 21-2003 and captioned as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ENCOURAGING ITS STATE LEGISLATIVE REPRESENTATIVES AND SENATORS TO OPPOSE A REDISTRICTING PLAN THAT DILUTES REPRESENTATION OF WEST TEXAS.

REGULAR AGENDA

Ordinances:

4.1 Jeff Armstrong, Development Services Manager, briefed the Council on an Ordinance considered on second and final reading - **02403** – Rezone from AO (Agricultural Open Space) to RS-8 (Residential Single Family) zoning district property located south of Crystal Creek and west of Rio Mesa. Mr. Armstrong noted the applicant wants to rezone a small tract for residential and combine it with other RS-8 property abutting and eventually plans to create a subdivision of approximately 21 acres. The Planning and Zoning Commission and staff recommend approval.

Mayor Barr opened a public hearing on the item, and there being no one present and desiring to be heard the public hearing was closed.

Councilman Archibald made a motion to approve the Ordinance to rezone from AO (Agriculture Open Space) to RS-8 (Residential Single Family) zoning district property located south of Crystal Creek and west of Rio Mesa, as recommended by the Planning and Zoning Commission and staff. Councilman Southward seconded the motion, and the motion carried.

AYES: Councilmen Archibald, Southward, Williams, Hill, McNeil, and Mayor Barr.

NAYS: None.

The Ordinance is numbered **22-2003** and captioned as follows:

AN ORDINANCE AMENDING CHAPTER 23, "PLANNING AND COMMUNITY DEVELOPMENT," SUBPART E, "ZONING," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

4.2 Jeff Armstrong, Development Services Manager, briefed the Council on an Ordinance considered on second and final reading - **Z-02603** – Amend PDD 36 on property located at 1026 N. Judge Ely Blvd. to allow a restaurant with a drive through and video rental in Tract 1. Mr. Armstrong noted the sole objective for amending the PDD is to add the referenced uses. The Planning and Zoning Commission and staff recommend approval.

Mayor Barr opened a public hearing on the item, and the following individual spoke in favor of the request:

- Kenneth R. Taft, Ft. Worth, Texas, agent and architect for the project, stated for clarification the sign at the location would reflect both the restaurant (Rosa's) and the video store (Blockbuster).

There being no one else present and desiring to be heard, the public hearing was closed.

Councilman Archibald made a motion to approve the Ordinance to amend PDD 36 on property located at 1026 N. Judge Ely Blvd. to allow a restaurant with a drive through and video rental in Tract 1. Councilman McNeil seconded the motion, and the motion carried.

AYES: Councilmen Archibald, Southward, Williams, Hill, McNeil, and Mayor Barr.

NAYS: None.

The Ordinance is numbered 23-2003 and captioned as follows:

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "ZONING," OF THE ABILENE MUNICIPAL CODE; AND ORDINANCE NO. 76-1985 CONCERNING THE PDD #36 PLANNED DEVELOPMENT DISTRICT; DECLARING A PENALTY AND CALLING A PUBLIC HEARING; AND AN EFFECTIVE DATE.

4.3 Jeff Armstrong, Development Services Manager, briefed the Council on an Ordinance considered on second and final reading - **Z-02803** – Rezone from RM-3 (Residential Multi-Family) to CB (Central Business) zoning district property located at 1141 South 6th Street. Mr. Armstrong noted the RM-3 property includes a legally nonconforming commercial use and the owner would like to change the zoning to resolve the nonconforming status and improve future marketability for the property. Staff supports a commercial rezoning, but prefers LC (Limited Commercial) over CB (Central Business) for the protection it provides for nearby residents. The Planning and Zoning Commission recommends approval of the requested rezoning to CB (Central Business).

Mayor Barr opened a public hearing on the item, and the following individual spoke in favor of the request:

- Jack D. Chamberlain, Tuscola, Texas, property owner.

There being no one else present and desiring to be heard, the public hearing was closed.

Councilman Hill made a motion to approve the Ordinance to rezone from RM-3 (Residential Multi-Family) to CB (Central Business) zoning district property located at 1141 South 6th Street. Councilman McNeil seconded the motion, and the motion carried.

AYES: Councilmen Archibald, Southward, Williams, Hill, McNeil, and Mayor Barr.

NAYS: None.

The Ordinance is numbered 24-2003 and captioned as follows:

AN ORDINANCE AMENDING CHAPTER 23, "PLANNING AND COMMUNITY DEVELOPMENT," SUBPART E, "ZONING," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, AS DESCRIBED BELOW, DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

Mayor Barr recognized Boy Scouts from Troop 206, that were in attendance to meet requirements in achieving their Communication Merit badge.

EXECUTIVE SESSION

Mayor Barr recessed the Council into executive session pursuant to Sections 551.071, 551.074, and 551.072 of the Open Meetings Act, to seek the advice of the City Attorney with respect to pending and contemplated litigation, to consider the appointment and evaluation of public officers, and to consider the purchase, exchange, lease or value of real property.

The Council reconvened from Executive Session and reported no action taken.

5.4 There being no further business, the Council reconvened at 10:10 a.m. in the Council Chambers of City Hall for a Workshop for discussion and possible action on establishing a proposed fee schedule for the Municipal Drainage Utility System.

Jo Moore
City Secretary

Grady Barr
Mayor

CITY COUNCIL WORKSHOP

JULY 24, 2003, 10:10 a.m.

CITY COUNCIL OF THE CITY OF ABILENE, TEXAS CITY COUNCIL CHAMBERS OF CITY HALL

The City Council of the City of Abilene, Texas, met in Workshop at 10:10 a.m., immediately following the Regular City Council meeting on July 24, 2003, in the City Council Chambers of City Hall for the purpose of discussion and possible action on establishing a proposed fee schedule for the Municipal Drainage Utility System. Mayor Barr was present and presiding with Councilmen Archibald, Southward, Williams, Hill, and McNeil. Also present were City Manager Larry Gilley, City Attorney Sharon Hicks, City Secretary Jo Moore, and various members of the City staff. Councilwoman Kay Alexander was absent.

City Manager Larry Gilley, briefed the Council on the recent adoption of a new Storm Water Utility as part of the annual budget process. Mr. Gilley stated at the last meeting where that was discussed there was no decision made about what the appropriate rates for the Storm Water Utility should be. Mr. Gilley further stated since Council's last meeting staff has been working on various options for proposed rates, which include a pure square footage calculation times a fixed base rate, and various tiered scenarios. It is staff's recommendation that Council approve the "Option 8" as submitted to Council. Option 8 is a tiered rate structure, three tier's for residential customers ranging from the low end at \$1.85 per month to the high end at \$2.95 per month and on the commercial customer rate schedule a five tiered rate structure is proposed beginning with a \$9.00 per month to a maximum rate of \$29.00 per month. Mr. Gilley noted Andy Anderson, Director of Public Works has worked on calculating the commercial square footage that would be relative to each of the five tier's and would brief the Council on that calculation.

Andy Anderson, Director of Public Works distributed to Council a handout that reflected an addition to the Option 8 that showed a break down of the square footage for each of the tiers as follows:

STORMWATER UTILITY RATE OPTION VIII (RESIDENTIAL)

% Residential	Months	Rate	Population Total	Portion	Income	Under Roof (Sq. Ft.)
10	12	\$1.85	33806	0.10	\$75,049	<=1,286
65	12	\$2.45	33806	0.65	\$646,033	>1,286 & <=2,887
25	12	\$2.95	33806	0.25	\$299,183	>2,887
Residential Sub-Total					\$1,020,265	

2.0
75.15

**STORMWATER UTILITY RATE OPTION VIII
 (COMMERCIAL)**

% Commercial	Months	Rate	Population Total	Portion	Income	Under Roof + Parking (Sq. Ft.)
10	12	\$9.00	3614	0.1	\$39,031	<=1,146
10	12	\$14.00	3614	0.1	\$60,715	>1,146 & <=1,568
20	12	\$19.00	3614	0.2	\$164,798	>1568 & <=2617
30	12	\$24.00	3614	0.3	\$312,250	>2617 & <=7,010
30	12	\$29.00	3614	0.3	\$377,302	>7,010
Commercial Sub-Total					\$954,096	
TOTAL RESIDENTIAL & COMMERCIAL					\$1,974,361	

Mr. Anderson then briefed the Council on how the square footage for the commercial customers was determined. Council and staff reviewed and discussed the proposed rate Options VIII and the previously submitted Options I through VII.

Further Council and staff discussion included: 1) the in-equitability of, under the proposed fee schedule, a large structure of more than 500,000 square feet of impervious surface, paying only \$5.00 more per month than a business in the next tier with only 3,500 square feet; 2) the need for the Storm Water Utility but with equitable rates; 3) the tiered fees generating the funds the utility needs with a reasonable structure; 4) implementing a flat rate based on square footage for both residential and commercial customers; 5) a flat square footage rate costing too much for customers whose properties measure into the millions of square feet (i.e. Abilene Christian University and Dyess Air Force Base); 6) state owned and operated properties being exempt from the fee and possible other exemptions the City could implement; 7) issues that would be addressed with income from the utility; 8) providing information to citizens on what the fee is, what it will be utilized for and city contact information; 9) Council's authority to make minor changes after the public hearing on August 28, 2003, but significant changes requiring starting process over; 10) balance needed in cases where residential property may become commercial; 11) the possibility of implementing a cap in the fee structure; 12) Council reviewing and re-evaluating an approved fee schedule in January 2004; and 13) Council's responsibility to move forward in reducing the incidence and impact of flooding.

Mr. Gilley reminded Council to fund the proposed budgeted expenditures the revenue stream from the Storm Water Utility would have to be implemented October 1, 2003, but the fee schedule could be re-evaluated by Council in January 2004 as previously discussed. Final reading and public hearings are scheduled for August 28, 2003 on the Storm Water Utility Ordinance, Revised '02-'03 Budget and proposed '03-'04 Budget Ordinances and the Tax Levy Ordinance.

Councilman Williams made a motion to approve the proposed Storm Water Utility Rate Option VIII, as recommended by staff, with a re-evaluation of the rates to be conducted in January 2004. Councilman Archibald seconded the motion and the motion carried.

AYES: Councilmen Archibald, Williams, McNeil, and Mayor Barr.

NAYS: Councilmen Southward and Hill.

2.0
 29.16

There being no further business, the meeting was adjourned at 11:05 a.m.

Jo Moore
City Secretary

Grady Barr
Mayor