

CITY COUNCIL MEETING
May 10, 2012 at 8:30 a.m.

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

The City Council of the City of Abilene, Texas met in Regular Session on May 10th at 8:30 a.m. in the Council Chambers at 555 Walnut Street. Mayor Archibald was present and presiding with Councilmen Shane Price, Anthony Williams, Joe Spano, Robert O. Briley, Stormy Higgins and Councilwoman Kellie Miller. Also present were City Manager Larry Gilley, City Attorney Dan Santee, City Secretary Danette Dunlap, and various members of the City staff.

Councilman Williams gave the invocation.

Mayor Archibald introduced Thomasville City Council who are 5th grade students at Thomas Elementary. They led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

PROCLAMATIONS

Mayor Archibald presented the following Proclamations:

May 7 - 11, 2012

Teacher Appreciation Week

Angel Miller, President Abilene Community Council PTA accepted the proclamation.

May 13 – 19, 2012

National Nursing Home Week

Representatives from various Nursing Homes in the area accepted the proclamation.

DISPOSITION OF MINUTES

5.0 Mayor Archibald stated Council has been given the minutes from the April 26th regular meeting there being no deletions, no additions, and no corrections. Councilman Higgins made a motion to approve the minutes as presented. Councilman Williams seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins Councilwoman Miller and Mayor Archibald

NAYS: None

CONSENT AGENDA

A citizen asked to pull 6.4 for more discussion. Councilman Price made the motion to approve consent items 6.1 through 6.3 as recommended by staff. Councilman Spano seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

Resolutions:

- 6.1** **Resolution:** Denying Atmos Energy Corp., Mid-Tex Division's ("Atmos Mid-Tex") requested rate change; and requiring the Company to reimburse the City's reasonable ratemaking expenses.

On January 31, 2012, Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company") filed with Atmos Cities Steering Committee ("ACSC") city members and that exercise original jurisdiction a request for a rate increase in excess of \$49 million or 11.94%. However, the Company is requesting an increase of 13.6% excluding gas costs, for its residential customers. Additionally, the application would change the way that rates are collected, by increasing the residential fixed-monthly (or Customer) charge from \$7.50 to \$18.00 and decreasing the consumption charge from \$0.25 per 100 cubic feet ("ccf") to \$0.07 per ccf.

ACSC members with original jurisdiction passed resolutions and suspended the proposed effective date of March 6, 2012, extending city jurisdiction until June 4, 2012 to allow ACSC attorneys and consultants to study the request. On Monday of this week, the Company extended its effective date by a week, which similarly extended the June 4, 2012 deadline to June 11, 2012. ACSC and the Company continue negotiations in mutual hope of a settlement that resolves the pending rate case and extends the RRM process. However, it does not appear that settlement could be achieved within a time frame that would allow the City to take action prior to June 11, 2012. Thus, the ACSC Executive Committee and Settlement Committee recommend passage of a denial resolution. Such action does not preclude a subsequent settlement. If settlement is achieved, ACSC will return to member cities with a request for approval of the settlement. If settlement is not achieved, the Company will appeal the denial resolution to the Railroad Commission.

Resolution #9-2012

RESOLUTION OF THE CITY OF ABILENE DENYING ATMOS ENERGY CORP., MID-TEX DIVISION'S ("ATMOS MID-TEX") REQUESTED RATE CHANGE; REQUIRING THE COMPANY TO REIMBURSE THE CITY'S REASONABLE RATEMAKING EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND ACSC'S LEGAL COUNSEL

- 6.2** **Resolution:** Approving recertification of Habitat for Humanity – Abilene, Inc., as a Community Housing Development Organization (CHDO) and authorizing disbursement of HOME funds.

Approval and recertification by the City of Abilene is a condition for the receipt of HOME funds for a CHDO. Habitat for Humanity-Abilene, Inc. (Habitat) has been a certified CHDO since March 1995, and has received HOME funds to expand the availability of safe, dependable and affordable housing for qualified low- and moderate-income families. Habitat has updated its CHDO application and has submitted a request for CHDO recertification.

Since 1990, Habitat has completed 123 homes in Abilene, assisted 150 low- to moderate-income families composed of 258 adults and 444 children; and has partnered with the City of Abilene as a CHDO on 61 single-family homes. City CHDO funds are currently being used on three new constructions with plans for three more in 2013.

Habitat has partnered with over 50 service clubs, church groups, college groups and business work teams during the past year. The 560 volunteers worked 3,600 hours in 2011 to help Habitat remain committed to creating home ownership opportunities for moderate-income families.

The proposed resolution re-certifies Habitat as a CHDO and authorizes staff to disburse HOME funds as appropriate.

Resolution #10-2012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS APPROVING THE RE-CERTIFICATION OF HABITAT FOR HUMANITY-ABILENE, INC., AS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO), AND AUTHORIZING DISBURSEMENT OF HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS.

6.3 Oral Resolution: Authorizing the purchase of replacement power plant equipment for Kirby Radio Tower, part of the Public Safety Communication and Dispatch System.

The City's power plant systems at its radio towers are becoming obsolete with few places to find replacement parts or service. The City needs to begin to replace them to avoid down time and interrupted service. The Kirby Radio Tower is the main control point and the City has chosen to begin there because the City cannot afford for it to be off the air. Dailey-Wells will do the installation as they are fully familiar with the City's system having initially installed it. We will use the equipment removed from the Kirby site to help keep the other sites maintained (with spare parts) as we continue our replacement of equipment at the other sites.

Grant money is available through the West Central Texas Council of Governments (WCTCOG) for homeland security projects. WCTCOG advised the City these funds could be used for this upgrade and replacement. Our request has been submitted to them for review and they have approved the expenditure for this purpose. The City of Abilene will advance the funds to purchase the equipment and then submit the receipts for complete reimbursement from the WCTCOG.

The purchase price is \$50,409.24. There will be no fiscal impact to the City of Abilene as the West Central Texas Council of Governments will fully reimburse the City for the purchase of the equipment.

Bid Award:

6.4 Award of Bid: Three (3) Front Loader Refuse Trucks. *Item pulled by a citizen.*

ITEM PULLED FROM CONSENT

6.4 Award of Bid: Three (3) Front Loader Refuse Trucks. *Item pulled by a citizen*

Trey Stamps with Heil of Texas voiced his concerns about how the bidding process was handled, and he brought forth several issues. Mr. Stamps asked that council TABLE this item and review it further before taking action.

The units are to replace trucks that are worn out and no longer cost-effective to maintain. The trucks will be utilized in the collection of commercial refuse.

The units are to be purchased through the Local Government Purchasing Cooperative (BuyBoard).

BID TABULATION

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Rush Truck Centers of Texas	(3) Peterbilt 320 Trucks BuyBoard contract # 358-10	\$414,232.00
Equipment Southwest, Inc.	(3) Wittke Refuse Bodies BuyBoard contract # 357-10	\$290,446.00

Mayor Archibald made the motion to TABLE this item and asked that if possible it would be added on to the next agenda for May 21st. Councilman Williams seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

REGULAR ITEMS

7.1 Jon James Director of Planning and Development Services briefed the council on the Ordinance **Z-2012-10** - A request from the City of Abilene to rezone property from MD (Medium Density) to TH (Residential Townhouse) zoning, located on the north side of Independence Blvd being all even numbered addresses from 2302 through 2504 Independence Blvd.

The property is zoned MD and is currently undeveloped. The applicant is proposing to develop the property with townhouses. The property was rezoned and platted a few years ago to allow for this type of single-family residential development. Townhouse development was permitted in Multiple-Family Dwelling District (RM) zoning. With the adoption of the Land Development Code (LDC), properties that had RM zoning, including this property, were reclassified to either MD or MF (Multi-Family Residential). Additionally, a new zoning district was created (TH – Townhouse) specifically to address townhouse development. Most recently, a plat has been submitted to modify the lot sizes. Upon review, staff determined that due to the changes created by the LDC the current zoning (MD) does not allow for the previously approved townhouse development. Therefore, staff has initiated a rezoning to the correct district to allow for the intended townhouse development.

The Future Land Use section of the Comprehensive Plan designates this general area as a low density residential. This area is part of an existing residential subdivision that includes single-family homes, duplexes, and patio homes. The request would not have a negative impact on the surrounding properties and would be compatible with the City's plans for this area.

Staff and Planning and Zoning Commission recommend approval.

Mayor Archibald opened the public hearing and there being no one present and desiring to be heard the public hearing was closed.

Councilman Price made the motion to approve the Ordinance **Z-2012-10** - A request from the City of Abilene to rezone property from MD (Medium Density) to TH (Residential Townhouse) zoning, located on the north side of Independence Blvd being all even numbered addresses from 2302 through 2504 Independence Blvd. Councilman Higgins seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins, Councilwoman Miller and Mayor Archibald
NAYS: None

Ordinance #25-2012

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, AMENDING CHAPTER 23, SUBPART E, "LAND DEVELOPMENT CODE," OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES; CALLING A PUBLIC HEARING; PROVIDING A PENALTY AND AN EFFECTIVE DATE.

Location:

All even numbered addresses from 2302 through 2504 Independence Blvd

7.2 City Manager Larry Gilley briefed the council on the possible usage of the fund balance from last year's budget based on the discussion from last city council meeting.

On Thursday, April 26th, staff held a budget workshop with the City Council. During this workshop, the status of the fund balance of the General Fund was discussed. At September 30, 2011, the fund balance was \$23,290,570 or 3.9 months of reserve. The City of Abilene's Financial Policies strive to have a fund balance reserve of 3 months or \$17,390,538. Our current reserve is in excess of our policy by \$5,360,032. Some of the options brought forward by staff included property tax reduction, fund the Capital Improvements Program, transfer to other funds, initiatives not funded in the 2012 budget, leave in fund balance, or other Council initiatives. Council discussed these options in detail.

The recommendations to use these funds are:

Fund the 2011 Capital Improvements Program	\$1,500,000
Fund the 2012 Capital Improvements Program	1,700,000
Demo City-Owned Buildings on Pine Street and Paving	490,000
Electronic Data Storage	100,000
City Hall Parking Lot	62,000
Neighborhood Initiatives	300,000
Armored Vehicle – Police Department	226,000
Transfer to the Fire Apparatus Fund	<u>750,000</u>
Total	\$5,128,000

Council and Staff discussion included: 1) Adding 60,000 to the Neighborhood Initiatives; 2) Buildings on Pine Street; 3) CIP program and the cost savings that will incur by paying for these instead of issuing C.O. Bonds; 4) Fire Apparatus Fund; 5) Self-Insurance Fund; 6) the projects listed in the Neighborhood Initiative (2) bathrooms at two locations, Sidewalk, and (2) speed bumps; and 7) Chief of Police Stan Standridge gave a brief presentation on the Armored Vehicle for the Police Department.

Councilman Briley made the motion to approve by Oral Resolution the above projects with the addition of \$60,000 to the Neighborhood Initiatives program. Councilman Williams seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

EXECUTIVE SESSION

Mayor Archibald recessed the Council into Executive Session 10:17 a.m. pursuant to Sections 551.071, 551.074, 551.072 and 551.087 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, to consider the purchase, exchange, lease or value of real property, and to discuss contemplated business prospects and or economic development matters.

The Council reconvened from Executive Session at 10:50 a.m. and reported no votes or action was taken in Executive Session in regards to Sections 551.072 Real Property, and Section 551.074 Personnel.

10. Oral Resolution approving appointments by the Mayor to the West Central Texas Municipal Water District.

Mayor Archibald made the motion to reappoint Joe Cannon and Kelly Kinard and to appoint Mike Alexander to the West Central Texas Municipal Water District. Councilman Price seconded the motion, motion carried.

AYES: Councilmen Price, Williams, Spano, Briley, Higgins, Councilwoman Miller and Mayor Archibald

NAYS: None

There being no further business the meeting was adjourned at 10:50 a.m.

Danette Dunlap, TRMC
City Secretary

Norm Archibald
Mayor