



# City of Lorena

107-A S. Frontage Road

Lorena, Texas 76655

(254) 857-4641 Fax (254) 857-4118

## NOTICE OF PUBLIC MEETING

LORENA CITY COUNCIL

MONDAY, OCTOBER 16, 2017 6:30 P.M.

LORENA CITY HALL

107-A S. FRONTAGE ROAD, LORENA, TEXAS

## MINUTES

### 1. Call to Order.

- a. **Pledge of Allegiance**
- b. **Texas Pledge**
- c. **Moment of silence**

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

Mayor Roper called the meeting to order at 6:31 p.m. Council members present were Mayor Chuck Roper, Mayor Pro tem Bill Coleman, J. Fagner, Jennifer Grimm and Jeff Linnstaedter. Kelly Yarbrough arrived at 7:10 p.m.

City Staff present were City Manager Joseph Pace, Police Chief Tom Dickson, City Secretary Monica Hendrix, Finance Officer Linda Klump and Public Works Director Kevin Neal.

### 2. Visitor and Citizens Forum

*At this time any person with business before the Council not scheduled on the agenda may speak to the Council. Comments are limited to three (3) minutes, and this time is not transferable. No formal action may be taken on any of these items at the meeting. This forum is limited to a total of 30 minutes.*

No visitors spoke.

### 3. Approval of Minutes:

- a. **September 18, 2017**

A motion was made by Bill Coleman and seconded by Jennifer Grimm to approve the minutes. All in favor, motion carried.

### 4. Discussion and possible action on award of Lorena TIRZ #1 East Phase 1 Wastewater Improvements construction bid to Bruce Flanigan Construction Inc. of Belton Texas.

Jason Mundo informed council there were ten bids received. The low bidder was Bruce Flanigan Construction Incorporated in the amount of \$1,845,845.00. Mundo answered questions from the council and explained the increases in the project are due to the cost of electrical components, the lift station and the metering of the manholes. Ginger Tolbert with KPA Engineers explained that part of the increase in expenses is due to the expanded Basin G and the upsize of the pipeline and components to accommodate the expansion, and unfortunately hurricane Harvey. Kevin Neal recommended that council go with alternate bid #1 which would require a type A hot mix asphalt driveway to the lift station in an amount of \$4,440.00.

After further discussion a motion was made by Bill Coleman to accept the bid of \$1,845,845.00 with the addition of alternate bid #1 for \$4,440.00 from Bruce Flanigan Construction Inc. for the construction of TIRZ #1 East sanitary sewer line. J. Fagner seconded the motion.

All in favor, motion carried.

**5. Discussion and possible action regarding an amended and restated resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation and resolving other matters relating to the subject.**

Joseph Pace explained the change of the amounts for the certificates of obligation have increased from 1.1 million to 1.6 million due to the increases in the cost for the sanitary sewer line expansion and construction cost. Due to the change in amounts, a new notice of intent to issue the CO's will need to be published. Pace also informed council that the December council meeting date will need to be change in order to issue the certificates of obligations before Christmas. Jennifer Grimm had questions about how the city would repay for the increase in the certificates of obligations and Jason Mundo and Linda Klump explained.

Grimm would also like to see the future capacity of water and sewer for Lorena with the expectation of all the new growth.

Bill Coleman made the motion to move the December 2017 council meeting to Tuesday, December 12, 2017 and to publish the amended notice of intention to issue combination tax and revenue certificates of obligation. J. Fagner seconded the motion. Jennifer Grimm and Jeff Linnstaedter voted in favor to the motion. Kelly Yarbrough abstained due to late arrival and missing the full discussion of this agenda item. Motion carried.

**6. Discussion of the proposed TIRZ 2017-2018 Fiscal Year Budget.**

Linda Klump was concerned about the line items in the TIRZ budget pertaining to loan proceeds. Klump explained that after discussion with our auditors, we agreed that the proper budgetary way to handle the loan proceeds is to treat these the way they would be treated in an enterprise fund. Loan proceeds would be included in revenue sources similar to bond proceeds for budgetary purposes. However for accounting purposes, loan proceeds (and bond proceeds) would be "reversed" and a loan payable (liability) would be recorded at year end. Again this is essentially the same accounting/budgeting procedures that are utilized in enterprise funds (utility, sanitation funds). Jason Mundo informed council that one of the concerns of the TIRZ budget was the format and that he will be adding more breakout points for clarifications. Mundo will be in contact with Linda Klump to work out the formatting. Klump explained the budget will still need to go back to the TIRZ board for approval and that this agenda line item was to update council on her initial concerns.

**7. Discussion and possible action to transfer a percentage of cash flow net income at the end of year for General Fund, Utility Fund and Sanitation Fund balances.**

Each year the council transfers a percentage of the end of year fund balances to the Capital Projects Fund. Linda Klump informed council that in the past the transfer was based on the booked *net income* of the fund balances and she would like to see the transfer be based on the percentage of *cash flow net income*. Jennifer Grimm motioned to transfer 90% of the cash flow net income at the end of year for General Fund, Utility Fund and Sanitation Fund balances. J. Fagner seconded the motion. All in favor, motion carried.

**8. Discussion and possible direction given to City Staff regarding water policies.**

Joseph Pace is requesting direction on addressing credits or payment plans on utility accounts when customers have a leak causing a high bill. The only thing the current policy addresses is the 15% penalty fee for payments received after the 15<sup>th</sup> of the month, late fees for payments received after 5:00 p.m. on the 25<sup>th</sup> and the Disconnect/Reconnect Fees when service is turned off for non-payment. Linda Klump spoke of the way her water company gives credit by charging the lowest rate tier for the amount of water used. Klump also stressed that the city has paid for the water that has gone through the meter and we shouldn't not charge for the water. There was discussion about what to include in the policy such as a payment plan and it was decided that staff would look into other cities and bring a back a recommended policy for approval.

## **9. Police Department Report.**

### **a. Activity report**

The activity report shows 263 calls by type and 244 citations issued in September 2017.

Chief Dickson informed council that all the Lorena Police Officers are under subpoena for the Twin Peaks trial and will be on standby if called to testify. Dickson also reminded the council of the Can for Candy Drive/Fill a Cop Car on Halloween during the closing of the South Meadows Subdivision.

## **10. Public Works Report.**

### **a. Well repair update**

Kevin Neal reported that the well motor was re-pulled and tested and the bearings were adjusted and is working great now.

## **11. City Manager Report.**

### **a. Update on WMARSS: Workshop on October 25, 2017**

Pace informed council that WMARSS is still working on whether to amend the contract and he hopes to find out on the 25<sup>th</sup>.

### **b. Update on TIRZ #1 East: Awarding Bid**

Bid was awarded to Bruce Flanigan Construction.

### **c. PUC Update: Attorney still communicating with PUC & Spring Valley Water Supply**

Attorney is still working with PUC and Spring Valley Water. Still a work in progress.

### **d. Development in The City of Lorena**

Met with a developer about a property in Lorena and developer doesn't want to spend money to upgrade the line for amount of meters he is requesting. This developer may still develop with amount of meters available for the location.

### **e. STAGG Grant Update**

Met with Mike Anderson on contribution to the grant for Rick Sheldon's property. Sheldon's engineer will be in touch with BSP Engineers.

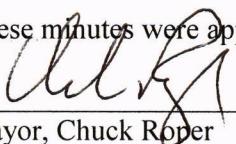
### **f. Meetings Since Last City Council Meeting (Appendix "A")**

### **g. Future Meetings (Appendix "A")**

## **12. Adjourn.**

Due to no further business the meeting adjourned at 7:43 p.m.

These minutes were approved this 14<sup>th</sup> day of November 2017.

  
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Mayor, Chuck Roper

Attest:

  
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City Secretary, Monica Hendrix

