

CITY COMMISSION MINUTES
AUGUST 9, 2011
9:00 A.M.

The City Commission of the City of Sweetwater, Texas met in regular session on August 9, 2011 at 9:00 a.m. in the City Commission Room at City Hall, 200 E. Fourth Street with the following members present:

GREGORY L. WORTHAM, Mayor
LARRY MAY, Commissioner
JEROD PEEK, Mayor Pro-Tem
JIM MCKENZIE, Commissioner

RICKY CASTRO, Commissioner
PETER SHERIDAN, City Attorney
EDWARD BROWN, City Manager
CAROLYN LAWRENCE, City Secretary

Staff Members present: City Services Director Kirk Harris, Public Works Director Ray Adames, Emergency Services Director Grant Madden, Chief of Police Jim Kelley, and Utilities Director Eddy Campbell.

1. Mayor Wortham called the meeting to order.
2. Commissioner May gave the invocation.
3. Mayor Wortham led the pledge of allegiance.
4. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner May to approve minutes for the meetings held on July 12, 2011 and July 26, 2011. The motion carried unanimously.
5. Action Items:
 - A. The Commission opened and considered proposals on Self-Insured Group Health, Dental and Life Insurance Employee Benefit for FY 2011-2012. The City received one bid from Blue Cross Blue Shield for health insurance, Ameritus for dental insurance and Unum for life insurance. The bid was evaluated by the City's broker of record, The Tommy Morris Agency of Abilene, Texas. Tommy Morris recommended acceptance of the submitted bid. Motion was made by Commissioner McKenzie, seconded by Mayor Pro-Tem Peek to accept the bid. The motion carried unanimously.
 - B. Motion was made by Commissioner Castro, seconded by Mayor Pro-Tem Peek to enter into a public hearing on the Proposed Budget for 2011-2012. This budget will raise more total property taxes than last year's budget by \$43,496 which is 2.74%, and of that amount \$53,833 is tax revenue to be raised from new property added to the roll this year. The motion carried unanimously.

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- C. Motion was made by Commissioner May, seconded by Mayor Pro-Tem Peek to close the public hearing and enter into regular session. The motion carried unanimously.
- D. No action was necessary from the public hearing.
- E. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner McKenzie to approve the Central Rate Schedule for the 2011-2012 Budget. The proposed rate schedule has no increases in fees for the 2011-2012 Budget. The motion carried unanimously.

COPY OF RESOLUTION IN FULL IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XII PAGES 228-251.

- F. Motion was made by Commissioner May, seconded by Commissioner McKenzie to consider first reading of the Appropriations Ordinance for the 2011-2012 Budget. The motion carried unanimously.
- G. Motion was made by Commissioner May, seconded by Commissioner Castro to consider first reading of an Ordinance to adopt the 2011-2012 Budget. The motion carried unanimously.
- H. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner McKenzie to enter into a public hearing to discuss the proposed tax rate of \$.48 (48 cents) per \$100 valuation for Tax Year 2011. The motion carried unanimously.
- I. Motion was made by Commissioner May, seconded by Commissioner McKenzie to close the public hearing and return to regular session. The motion carried unanimously.
- J. No action was necessary from the public hearing.
- K. Motion was made by Commissioner McKenzie, seconded by Mayor Pro-Tem Peek to consider first reading of an Ordinance approving a negotiated resolution between the Atmos Cities Steering Committee ("ACSC" or "Steering Committee") and Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company") regarding the Company's fourth annual rate review mechanism ("RRM") filing in all cities exercising original jurisdiction; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; requiring the company to reimburse cities' reasonable

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ratemaking expenses; repealing conflicting resolutions or ordinances; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the Company and the Steering Committee's legal counsel. The motion carried unanimously.

- L. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner May to consider first reading of an Ordinance Amending the 2010-2011 Budget. The motion carried unanimously.

- M. City Commission opened and reviewed bank depository bids for the City of Sweetwater and Sweetwater Enterprise for Economic Development. The City received one bid from First Financial Bank of Sweetwater. The Commission reviewed the bid and Carolyn Lawrence, Finance Director examined the bid to make sure it met specifications outlined in the application. Motion was made by Commissioner May, seconded by Commissioner McKenzie to award the depository contract for October 1, 2011 through September 30, 2013 with a two-year extension option for the City and for Sweetwater Enterprise for Economic Development to First Financial Bank of Sweetwater. The motion carried unanimously.

COPY OF CONTRACT IN FULL IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XII PAGES 252-279.

- N.-R. Motion was made by Commissioner May, seconded by Commissioner McKenzie to authorize staff to go out for bids for fuel, oil and lubrication products, hot mix cold lay asphalt, ready mix concrete and weed killer for 2011-2012. The motion carried unanimously.

- S. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner McKenzie to schedule a public hearing for redistricting. The motion carried unanimously. The public hearing was scheduled for September 13, 2011. See attached committee list. No representatives were appointed by Commissioner Castro for Precinct 3 and Tony Lara, Precinct 2 appointment, removed himself from the committee.

COPY OF COMMITTEE LIST IN FULL IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XII PAGE 280.

- T. The City Manager, on advice of the Director of Utilities is implementing Stage 1 drought condition of the Drought Contingency Plan effective immediately. During Stage 1 all water customers are asked to curtail use

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of water for nonessential purposes on a voluntary basis. The community is asked to adhere to these recommendations. More severe restrictions will be implemented in the future if necessary.

- U. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner Castro to enter into executive session pursuant to the provision of 551.072 of the Texas Government Code to deliberate regarding the purchase, sale and/or lease of real property. The motion carried unanimously.
- V. Motion was made by Commissioner McKenzie, seconded by Commissioner May to enter into regular session. The motion carried unanimously.
- W. Motion was made by Mayor Pro-Tem Peek, seconded by Commissioner McKenzie to authorize the City Manager to negotiate with Bronte regarding easements at Oak Creek Lake. The motion carried unanimously.

6. City Manager's Report.

- A. Nolan County Commissioners Court has approved a payment in the amount of \$779.50 to the City of Sweetwater which qualifies SNAP for a 2012-2013 grant from the Texas Department of Agriculture Texans Feeding Texans program. Current year funding for this grant is contingent on the 82nd Legislative Session. The City has received approximately \$50,000 over the past three years through this program.
- B. Mayor and Commissioners should consider nomination of two SEED Board members at a future meeting each for a three year term beginning October 1, 2011.
- C. Remind City Commission of August 16, 2011, 9:00 a.m. meeting to conduct the second public hearing on the proposed tax rate of \$.48 (48 cents).
- D. Remind City Commission of August 23, 2011, 9:00 a.m. meeting to vote on the tax rate for Tax Year 2011.
- E. July sales tax was up 34% from prior year partially due to an audit recovery. Sales tax revenues are up 10% year to date.

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- F. Police Chief Jim Kelley has decided to retire May 31, 2012 after 35 years of service with the Sweetwater Police Department. Jim has been the Chief of Police for 27 ½ years.
7. Public Input.
- None.
8. Motion was made by Commissioner McKenzie, seconded by Commissioner Castro to adjourn. There being no further business, the meeting adjourned at 10:20 a.m. The motion carried unanimously.

Gregory L. Wortham, Mayor

ATTEST:

Carolyn Lawrence, City Secretary

Persons signing register: Tom Parker, Tommy Morris, and Nancy Johnson