

MAY 26, 2020

MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE
CITY OF OLNEY, TEXAS

6:00 P.M.

The City Council of the City of Olney, Texas, met Tuesday, May 26, 2020, at 6:00 P.M. Those present were: Mayor Phil Jeske, Mayor Pro-Tem Rue Rogers, Councilmembers Tommy Kimbro, Chuck Stennett, Harrison Wellman, and Terri Wipperman. Absent: None. Staff Present: City Administrator Neal Welch, City Secretary Tim Houston, Chief of Police Conny Clay, Public Works Director K.C. Blassingame, City Clerk Arpegea Pagsuberon, Officer William Achey, Officer Dustin Hudson, and Officer Kelli Cobb. All agenda items were subject to action. Meeting was broadcast and recorded online using GoToMeeting.com in accordance with Open Meetings Laws guidance during COVID-19 Pandemic Disaster.

Mayor Jeske called the meeting to order at 6:00 P.M.

CALL TO ORDER

Mr. Welch gave the invocation.

INVOCATION

No citizens appeared before Council to comment.

CITIZEN COMMENT
PERIOD

Mayor Jeske entertained a motion to adopt the minutes from the May 11, 2020 Regular Meeting and the May 15, 2020 Special-Called Meeting. Councilmember Wipperman made said motion and Mayor Pro-Tem Rogers seconded. Council voted unanimously to approve the minutes of both meeting. Councilmember Wellman noted a small edit where COVID-19 was referred to a COVID-10. Mayor Jeske declared this a technical error that would be corrected before publication of the minutes.

CONSIDER APPROVAL
OF MINUTES FROM
PREVIOUS MEETING(S)

Mayor Jeske explain that Council had two properties before it to consider this evening. Council first consider a bid in the amount of \$2,000 from Rosa Morales for 108 E Grove St. Mr. Houston explained that Ms. Morales intended to place a mobile home on the property and that it was properly zoned for the same. Mayor Jeske entertained a motion to approve the bid for 108 E Grove in the amount of \$2,000 from Ms. Morales. Mayor Pro-Tem Rogers made said motion and Councilmember Wipperman seconded. Council voted unanimously to approve the bid.

CONSIDER TAX RESALE
PROPERTY BID(S)

Mr. Houston explained that the second bid was from Travis Hudson in the amount of \$1,000 for 1105 S Avenue C, and that Mr. Hudson was the son of Officer Hudson. The intent was to clean the lot up and place a tiny home on the property. Mayor Jeske entertain a motion to approve the bid for 1105 S Avenue C in the amount of \$1,000 from Mr. Hudson. Mayor Pro-Tem Rogers made said motion and Councilmember Wellman seconded. Council voted unanimously to approve the bid.

Mr. Houston explained that Resolution R6-20 was requirement of the federal and state government to obtain the Texas Community Development Block Grant to repair certain wastewater lines in town. Mayor Jeske entertained a motion to approve Resolution R6-20. Councilmember Stennett made said motion and Councilmember Kimbro seconded. Council voted unanimously to approve Resolution R6-20.

CONSIDER RESOLUTION
R6-20 CONCERNING
CIVIL RIGHTS, FAIR
HOUSING, AND OTHER
ITEMS AS REQUIRED
FOR THE TX CDBG
GRANT

Mr. Welch explained the agreement and that the two error concerning his title, and the date defining the term of the contract had been caught and corrected. Mayor Jeske asked if the City Attorney, William Myers, had reviewed the agreement. Mr. Welch replied that he had and signed off on it. Mayor Jeske entertained a motion to authorize the City Administrator to execute on behalf of the City the Dual Employment Memorandum of Understanding with Olney ISD. Councilmember Kimbro made said motion and Mayor Pro-Tem Rogers seconded. Council voted unanimously to approve the motion.

CONSIDER
AUTHORIZING THE CITY
ADMINISTRATOR TO
SIGN THE DUAL
EMPLOYMENT
MEMORANDUM OF
UNDERSTANDING WITH
OLNEY ISD

Mayor Jeske asked Mr. Houston and Mr. Welch if they were still comfortable with leaving \$600,000 for regular operations, retaining \$150,000 in operating funds for COVID-19 response, and retaining debt payments in the amount of \$218,507 in the operating account. This totaled \$968,507 remaining in the operating account and would free up Council to reassign \$597,066 to certificates of deposit, expenditures for infrastructure improvements, paying down the City's debts, or any combination thereof. Mr. Welch and Mr. Houston replied affirmatively. Mayor Jeske signaled his interest in paying off the 1997 Series Revenue Bond in the amount of \$128,000 and then placing the rest in savings. Councilmember Wellman replied that the City had the funds to pay down both the 1993 and 1997 Series Revenue Bonds, for a grand total of \$619,000. He reasoned that the interest rates above five percent were hurting the City more long-term, and that the City could reissue the debt for a lower interest rate if needed, and that he believed the City would make its budget for the year. Mayor Jeske did some quick math and inquired about the monies set aside by the City for the interest and sinking fund for the 1993 and 1997 Series Revenue Bonds. Mr. Houston confirmed there to be approximately \$68,000 in funds set aside. Mayor Jeske also stated there should be further funds set aside still planned to be kept in the operating account. Mayor Jeske totaled his figures to determine there was approximately \$690,000 available between funds for debt payments in the operating account intended to pay on the 1993 and 1997 Series debt payment, interest and sinking funds for the same notes, and excess monies from the operating account. Council discussed this briefly. Mayor Jeske entertained a motion to close out the interest and sinking fund account for the 1993 and 1997 Series Revenue Bonds and remove monies from the operating account in sufficient amounts to retire both revenue bonds in the amount of \$619,000, with any further excess funds from the approximate \$690,000 to be diverted to an existing certificate of deposit as reserves. Councilmember Wellman made said motion and Mayor Pro-Tem Rogers seconded. Council voted unanimously to approve said motion.

DISCUSS AND
CONSIDER PLAN TO
UTILIZE AND SET ASIDE
CERTAIN OPERATING
FUNDS

Mr. Welch also explain that one of the three HVAC systems at City Hall had failed and needed to be completely replaced. The whole replacement of the one unit would cost \$8,500 and two to replace the two units that serviced the front. The failed unit serviced the lobby side of City Hall. Mr. Houston also stated that Council should keep in mind the HVAC unit that serviced the Council Room and the rear of the building was on borrowed time. Council discussed the issue. Mayor Jeske entertained a motion to authorize the City Administrator to expend \$8,500 to replace the failed HVAC unit. Councilmember Kimbro made said motion, and Councilmember Stennett seconded. Council voted unanimously to approve the motion.

Mayor Jeske asked if this was still required since the majority of the funds from the previous item would go towards paying of the 1993 and 1997 Series Revenue Bonds. Mr. Houston replied that is was not since there would be insufficient monies leftover to establish a new certificate of deposit since the City currently had one open with less than \$100,000 deposited in it. Item was struck from the agenda.

CONSIDER RESOLUTION
TO ESTABLISH NEW
CERTIFICATES OF
DEPOSIT ACCOUNTS AT
OLNEY INTERBANK, SET
SIGNATORIES, AND
AUTHORIZE TRANSFER
OF FUNDS

Mayor Jeske announced that, pursuant to the Texas Open Meetings Act, as recorded in Government Code Section 551.074(a), Council would enter executive session at 6:35 PM to deliberate and evaluate the performance, appointment, duties, or discipline of Conny Clay as Chief of Police of the City of Olney. All members of the public and Chief Clay exited Council Chambers.

EXECUTIVE SESSION:
DELIBERATE AND
EVALUATE THE
PERFORMANCE,
APPOINTMENT, DUTIES,
OR DISCIPLINE OF
CONNY CLAY AS CHIEF
OF POLICE OF THE CITY
OF OLNEY

Council reconvened in regular session at 7:45 PM.

Mayor Jeske entertained a motion to accept the resignation of Chief Clay as the Chief of Police of the City of Olney effective June 30, 2020. Councilmember Kimbro made said motion and Councilmember Wipperman seconded. Council voted unanimously to accept the resignation.

ANY ACTION AS A
RESULT OF THE
EXECUTIVE SESSION

Council discussed with Officer Hudson the situation involving the old tire shop on the south side of the 300 Block of E Main St. Officer Hudson stated this was an issue the TCEQ was dealing with since there were an estimated 5,000 tires which equated to a felony under state law since it was only permitted for 250 tires and the shop was no longer in operation. Further, it would

DISCUSS OTHER
COUNCIL MATTERS –
ITEMS OF CONCERN TO
THE CITY COUNCIL

only constitute a Class C misdemeanor if he were to write the same ticket for a violation of state law. Officer Hudson was asked to stay on top of the situation.

There being no further business to come before the Council, the Council adjourned by consent ADJOURNMENT at 7:59 P.M.

ATTEST:

Mayor

City Secretary

Date Approved