

JUNE 24, 2019

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 Monday, June 24, 2019, at 6:00 P.M. Those present were: Mayor Phil Jeske, Mayor Pro-Tem Rue Rogers, Councilmembers Chuck Stennett, Harrison Wellman, and Terri Whipperman; Absent: Councilmember Tommy Kimbro. Staff Present: City Administrator Neal Welch, City Secretary Tim Houston, Public Works Director KC Blassingame, City Attorney William Myers, Police Corporal Robert Clark, Police Officer William Achey, and Police Officer Dustin Hudson. All agenda items were subject to action.

Mayor Jeske called the meeting to order at 6:04 P.M. Mr. Myers gave the invocation.

CALL TO ORDER &
INVOCATION

Mayor Jeske entertained a motion to approve the minutes from the June 10, 2019 Regular Meeting. Mayor Pro-Tem Rogers made said motion and Councilmember Wellman seconded. Council voted unanimously to approve the minutes.

CONSIDER APPROVAL
OF MINUTES FROM
PREVIOUS MEETING(S)

No citizens appeared before the Council to comment.

CITIZEN COMMENT
PERIOD WITH CITY
COUNCIL

Mr. Welch updated Council on the process by including a large map from Air Tractor and updated that TxDOT-Aviation Division and the Federal Aviation Administration would need to look at the sale plans. However, a memorandum of understanding would be drawn up between the City and Air Tractor.

CONSIDER AIR
TRACTOR MUNICIPAL
AIRPORT PROPERTY
PURCHASE REQUEST

Mr. Welch updated Council on a recent workshop where TML Health was attempting to reduce the number of custom plans they had available to members. Essentially everyone was on a custom plan and TML wanted to get everyone to move to a preset plan. Mr. Houston added that the TML allowed each City to keep their current plan at increased cost or to switch to a preset plan. Council was presented with 5 options from TML Health. Mr. Houston recommended Option 1 the Classic 500-2K plan that had a \$500 deductible and a \$2,000 out of pocket maximum at a cost of \$697.90 per employee per month. The current custom plan was a \$500 deductible and a \$1,500 out of pocket maximum with a separate federal out of pocket maximum which would cost \$724 per employee per month. New plans would eliminate the federal out of pocket and make every healthcare dollar spent by the individual eligible to go towards the plan's out of pocket. Each of the other plans came with increased deductibles or out of pocket maximums, but reduced the cost of the plan to the City. Mr. Houston recommended that Council elect to change to Option 1 Classic 500-2K plan. Mayor Jeske said that most likely this would eventually be mandatory if the City did not elect to change immediately. Council briefly discussed the issue. Mayor Jeske entertained a motion to approve moving the City's employee TML Health Plan to the Classic 500-2K plan mentioned in Option 1. Mayor Pro-Tem Rogers made said motion and Councilmember Stennett seconded. Council voted unanimously to approve the motion for the plan change.

CONSIDER CHANGES TO
TML HEALTH POOL
INSURANCE PLAN

Mr. Welch informed Council that the Cemetery Board had voted to purchase a 42-inch mower, weed eater, and gator wire line for the weed eater. Additionally, the Board had asked for help doing research into placing tarred or chip-sealed roads throughout the cemetery.

CEMETERY BOARD
UPDATE

Mayor Jeske said that his term and that of Trudy Capps was up on the Library Board. Further, since the Mayor of the City, whoever that may be at a given time, had been asked to serve on the Board since its inception that is why he had served. Mayor Jeske entertained a motion to reappoint both himself and Trudy Capps to three-year terms on the Library Board to begin July 2019 and run until July 2022. Councilmember Harrison made said motion and Mayor Pro-Tem Rogers seconded. Council voted unanimously to approve the motion to reappoint the members.

CONSIDER
APPOINTMENT OF
LIBRARY BOARD
MEMBERS

Mr. Houston presented Council with the proposed 2019-2020 Budget for the Young Central Appraisal District. The budget included the City's amount of operations at \$18,598. No action was required.

HEAR PROPOSED FY
2019-2020 YCAD
BUDGET

Mr. Houston presented Council with the first draft of the FY 2019-2020 City Budget and reviewed the revenues stating that water sales were coming in above projections in the current year, and advised an increase in budgeted sales the next year. Additionally, Mr. Houston explained to Council the state legislature and the governor had signed SB 2 known as the Texas Property Tax Reform and Transparency Act of 2019. The bill restricted municipalities, school districts, counties, and some other taxing entities from raising ad valorem taxes above a three and one-half percent (3.5%) without a vote being either necessary, or possible. This is opposed to the eight percent (8%) currently allowed. However, the law would not enter into effect until 2020 leaving the rate for this year at eight percent (8%). As such, Mr. Houston recommended an ad valorem tax increase of eight percent (8%) to offset the loss in revenue in the future and to allow the City to continue performing its functions. Total City revenues factoring in a tax increase would equate to \$3,955,815. Mr. Welch explained the line item expenditures and presented Council with an engineering proposal for improvements to the City's wastewater system and plant. Mr. Houston distributed a proposed ordinance that would increase wastewater utility rates and alter the structure of other utility-based fees. Total City expenditures in the budget were equivalent to \$3,718,851. This left \$236,964 available for decision packages which were presented to Council for review. Mayor Jeske asked for a breakdown and justification for increase in line items that saw significant changes and a breakdown and comparison of current utility rates.

FIRST PRESENTATION
OF FY 2019-202 BUDGET
& BUDGET WORKSHOP

There being no further business to come before the Council, the Council adjourned by consent at 7:50 P.M. ADJOURNMENT

ATTEST:

Mayor

City Secretary

Date Approved

NOTE: Police Officer Dustin Hudson was sworn in by City Attorney William Myers during a short ceremony before 6:00 P.M. This was not a business item of the Council.