

JUNE 10, 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 10, 2019, at 6:00 P.M. Those present were: Mayor Phil Jeske, Mayor Pro-Tem Rue Rogers, Councilmembers Tommy Kimbro, Chuck Stennett, and Councilmember Terri Wipperman; Absent: Councilmember Harrison Wellman. Staff Present: City Administrator Neal Welch, City Secretary Tim Houston, Chief of Police Conny Clay, and City Attorney William Myers. All agenda items were subject to action.

Mayor Jeske called the meeting to order at 6:02 P.M. Mr. Myers gave the invocation.

CALL TO ORDER &
INVOCATION

Mayor Pro-Tem Rogers suggested an amendment to change 1974 to 1970 in the Citizen comment period from the May 13, 2019 Regular Meeting. Mayor Jeske entertained a motion to approve the minutes from the May 13, 2019 Regular Meeting, as amended, and the May 13, 2019 Special-Called Meeting. Mayor Pro-Tem Rogers made said motion and Councilmember Stennett 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

Jim Hirsch was present to request the purchase of a total of 16.55 acres of the airport property. Behind Plants 1 and 2 Mr. Hirsch stated Air Tractor would like to purchase approximately 14.93 acres which would leave sufficient land by the airport property line, and 1.62 acres south of road by Plant 3 for a 200-thousand gallon water storage tank to improve the fire suppression system at Air Tractor. Mr. Hirsch requested a motion to enter negotiations for the sale. Mr. Myers said that the motion was appropriate. Mayor Jeske entertained a motion to allow the City to begin negotiations for the sale of 16.55 acres of property at the Municipal Airport to Air Tractor, Inc. to be in accordance with the specifications Mr. Hirsch presented above. Councilmember Stennett made said motion and Councilmember Kimbro seconded. Council voted unanimously to approve the motion.

CONSIDER AIR
TRACTOR MUNICIPAL
AIRPORT PROPERTY
PURCHASE REQUEST

Mr. Welch presented an electrical contract extension with TXU for four years from the expiration of our next plan in 2023 with TXU through April 2027. While the switch from Reliant to TXU would drop rates from \$0.05071/kwh to \$0.0376/kwh, energy broker Bob Forman stated the contract extension would lower the city's electrical rate in April 2023 to \$0.02928 and lock it in for four-years to avoid market risk. This would reduce the City's overall electrical bill to approximately \$10,000 at current annual usage. Council review the information. Mayor Jeske entertained a motion to authorize the City Administrator to execute the contract extension for a lower rate. Mayor Pro-Tem Rogers made said motion and Councilmember Wipperman seconded. Council voted unanimously to approve the motion.

CONSIDER ELECTRICAL
CONTRACT EXTENSION

Reece Berry with Cris Lemon's firm Nocona CPA was on hand to discuss the annual audit. Mr. Berry reviewed the overall position of the City and stated that while depreciation significantly affected the net position of the City, ultimately the City saw an increase in its total net assets from \$4,002,062 at the beginning of the fiscal year to \$4,503,535, which amounted to an increase of the City's net position equal to \$501,473. Mr. Berry discuss the remaining portions of the audit with Council. Mayor Jeske inquired about the retirement system. Mr. Berry explained that the retirement fund was holding steady the discount rate of 6.75%. With no further comments Mayor Jeske entertained a motion to accept the annual audit report. Mayor Pro-Tem Rogers made said motion and Councilmember Kimbro seconded. Council voted unanimously to accept the report.

HEAR AND CONSIDER
FY 2017-2018 ANNUAL
AUDIT

Mayor Jeske read aloud the executing section of Ray Perkins' will which grant \$100,000 to the City of Olney to be held in trust for specific use. The passage as read is below: "I further direct that the above two named beneficiaries, the Olney Community Library and Arts Center and the Tommy Perkins Memorial Park, shall use the funds herein bequeathed to fund and establish a permanent endowment fund, and that income only from such endowment fund, to the extent hereinafter set out, may be used for the following purposes: The Olney Community Library and

BIENNIAL JUNE
READING OF RAY
PERKINS' WILL

Arts Center and the Tommy Perkins Memorial Park may each use seventy-five percent (75%) of the income from the endowment fund established by it for the purpose of operation, maintenance and additions of their respective organizations, and the balance of twenty-five percent (25%) shall be placed in their permanent endowment fund and become a part thereof.”

Mr. Houston read the financial report to Council. Council reviewed the financial report and the police report.

MONTHLY
DEPARTMENTAL
REPORT

There being no further business to come before the Council, the Council adjourned by consent at 6:39 P.M.

ADJOURNMENT

ATTEST:

Mayor

City Secretary

Date Approved