

March 11, 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, March 11, 2019, at 6:00 P.M. Those present were: Mayor Phil Jeske, Councilmembers Tommy Kimbro, Rue Rogers, Chuck Stennett, and Harrison Wellman. Absent: Councilmember Terri Wipperman. Staff Present: City Administrator Neal Welch, City Secretary Tim Houston, Chief of Police Conny Clay, Public Works Director K.C. Blasingame, and City Attorney William Myers All agenda items were subject to action.

Mayor Jeske called the meeting to order at 6:05 P.M. Mr. Myers gave the invocation.

CALL TO ORDER &
INVOCATION

Mayor Jeske entertained a motion to approve the minutes from the February 25, 2019 Regular Meeting. Councilmember Kimbro made said motion and Mayor Pro-Tem Rogers 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. Houston notified Council that Rudolfo Mena, Jr. of Houston, Texas had bid \$1,000.00 for 802 N Avenue F and informed them that Mr. Mena had withdrawn his other two bids for 613 and 615 N Grand Avenue. Council briefly discussed the bid. Mayor Jeske entertained a motion to approve the bid for 802 N Avenue F in the amount of \$1,000.00. Mayor Pro-Tem Rogers made said motion and Councilmember Wellman seconded. Council voted unanimously to accept the bid.

CONSIDER TAX RESALE
BID

Mayor Jeske explained that the reduction in membership from nine to seven on the Cemetery Board had necessitated a shift in the terms of members already serving. Further, with several vacancies appearing on the board the Council needed to make appointments to fill those positions. Council briefly discussed donations to the Cemetery Board and how they should be made. Mr. Myers explained that gifts and donations should be sent to the Cemetery Trust Fund. Mr. Houston informed Council that Sanford Heard had agreed to end his previous appointment to the board early so that he could be reappointed. Mayor Jeske entertained a motion to appoint retroactive to January 1, 2018 for a term expiring December 31, 2020 Dale Lovett and Barbara Walker, and to appoint retroactive to January 1, 2019 for a term expiring December 31, 2021 Sanford Heard and Becky Dalrymple. Councilmember Stennett made said motion and Councilmember Kimbro seconded. Council voted unanimously to approve the appointments.

CONSIDER
APPOINTMENTS TO
CEMETERY BOARD

Mr. Welch explained to Council that the City was ready to begin certain improvements to the new city shop building that Tower Extrusions had offered in exchange for the old shop. The city had received bids from Overhead Door and Hall Building Products to install two new bay doors at each end of the shop building. Council inquired about the gauge of the metal used on the doors and cost. Mr. Welch and Mr. Blasingame explained to Council the information contained in the quotes, of which some of the information they were seeking was listed. Mr. Welch and Mr. Blasingame then explained the three bids to put insulating spray foam inside of the new shop building. Council briefly considered whether the doors needed to be foamed. Councilmember Wellman inquired whether the cost of bringing a new building up to standard was taken into account when switching properties. Mayor Jeske said that it had been, and that the new facility had a fence and was in better overall shape for investment of funds from the City. After discussion Mayor Jeske entertained a motion to approve the bids by Overhead Door and Superior Foam. Mayor Pro-Tem Rogers made said motion and Councilmember Kimbro seconded. Council voted unanimously to approve the motion.

CONSIDER
EXPENDITURE OF
FUNDS FOR
IMPROVEMENTS TO
NEW CITY SHOP

Mr. Welch presented the information from Scott Franklin, and independent contractor sent by the TML Risk Pool. Mayor Jeske and Council explained that they did not understand what exactly they were funding in the roof repairs and wanted to see exactly how much money the city had received and what the extra cost would be. Mr. Welch replied that the city would need to pay the deductible, for the insurance and that there would be some additional costs identified by Scott Franklin to install superior roofs to the foam roofing solution the city currently had on

CONSIDER
EXPENDITURE OF
FUNDS TO BEGIN ROOF
REPAIRS

several buildings. Councilmember Wellman expressed concern that in the financial report the insurance monies received by the city for the roofs was not earmarked out from the reserves. Mr. Houston stated that as the funds were liquid they counted as reserve funding should the city have a disruption to income. Councilmember Wellman stated a preference for it being separated. Mayor Jeske asked that a clearer document and funding solution be brought to Council.

Mr. Welch explained that Waggoner Carpet and Brengle had been contacted it was explained the City had a \$30,000 budget to replace the flooring. Brengle had quoted the cost to the entire building, but Waggoner quoted only approximately half of the building. Further, Mr. Welch stated City Hall would need to be tested for asbestos. Mayor Jeske asked that Waggoner and other bidders bid for the exact same thing to see how the costs lined up before Council took action.

CITY HALL
IMPROVEMENT UPDATE

Mr. Welch explained that he was approached by Jimmy Armstrong who lived on the lake and leased two lake lots from the City. He had proposed that he be allowed to use his tractor and box blade to grade the lake road and spread gravel in exchange for the city forgiving the cost of his lake lot lease payments. Council discussed the merits of the proposal with the cost of a lake lot being \$200 per year. Council asked that an agreement be drawn up and more information on Jimmy Armstrong's equipment be inspected.

CONSIDER AGREEMENT
FOR REGULAR LAKE
ROAD MAINTENANCE

Mr. Welch explained to Council that Alfred Herrera, the City's lawyer through the Atmos Texas Municipalities coalition, had reached an agreement with Atmos Energy, but that a House Bill to defray the corporate costs of personnel was in the Texas Legislature and he strongly advised opposition. Mr. Welch sought approval allow Mr. Herrera to lodge Olney's opposition against the bill with the legislature and share cost of the opposition through the coalition. Council first wanted to discuss cost, which Mr. Herrera had yet to provide. Mr. Welch said he would obtain cost and be in touch with Mayor Jeske.

ATMOS RATE CASE
UPDATE

Mr. Myers stated that typically the charge was \$50-\$75 per acre with a bonus for any oil and gas found and contracted for extraction with no options. Councilmember Kimbro stated that he had heard the pricing was closer to \$25-\$50. Mr. Myers stated that in some cases it was, but where seismic testing is concerned, they may be exploring down to 2,000 meters, but they would have the data for much deeper and therefore it should be charged as such. Council discussed royalties and Councilmember Kimbro stated it be a 75% - 25% split. Council also asked for regulations from the Federal Aviation Administration concerning oil and gas exploration and drilling. Mayor Jeske and the Council expressed its desire for Mr. Myers to begin negotiations with Raymond Lunsford.

CONSIDER AGREEMENT
FOR SEISMIC TESTING
AT THE MUNICIPAL
AIRPORT

Mr. Welch explained that Public Works had surplus equipment available that city staff would like to sell. This include a 2004 ¾-Ton Chevrolet Pickup with 199,610 miles, a 2008 ½-Ton GMC Pickup that was inoperable, a 2001 ½-Ton Chevrolet Pickup with mechanical issues, a 1978 Case loader, a 32-foot-long pintle hitch trailer that needed a new floor, a 2004 Ditch Witch Vacuum Trailer with mechanical issues, and an AMC Asphalt HR patching machine. Mr. Blassingame explained that he had no use for the equipment in its current condition. Mayor Jeske entertained a motion to declare the property listed above a surplus for auction. Councilmember Wellman made said motion and Mayor Pro-Tem Rogers seconded. Council voted unanimously to approve the motion.

CONSIDER DECLARING
CERTAIN PROPERTY
SURPLUS FOR AUCTION

Mr. Welch explained that Texas-New Mexico Power had a contractor coming to do a free energy audit for homes and business in town. They would be providing some items to improve energy efficiency for free or with incentives to reduce the cost to the consumer. Mr. Welch explained we needed to edit our ordinances allowing the contractor to operate for upwards of six months. The ordinance before Council would add an exception for longer terms of three months with up to a three-month extension for the Itinerant Merchant's permit if the individual was offering services that were free to the customer. Council briefly discussed the ordinance and the issue surrounding it. Mayor Jeske entertained a motion to approve Ordinance O7-19. Mayor Pro-Tem Rogers made said motion and Councilmember Kimbro seconded. Council voted unanimously to approve Ordinance O7-19.

CONSIDER ORDINANCE
NO. O7-19 AMENDING
SOLICITATION AND
ITINERANT VENDOR
REGULATIONS

Mr. Houston gave the monthly financial report and stated that current taxes had come in slightly above expectations and that should the city receive another \$5,000 they would meet expectations for current ad valorem, delinquent ad valorem, and ad valorem penalties and interest budgets for the year. Mr. Houston explained the city had 252 days of reserve funding, or if the insurance income for roofs was removed it would be 241. Chief Clay gave the police report for February. The lake was at 100% of normal capacity.

MONTHLY
DEPARTMENTAL
REPORTS

There being no further business to come before the Council, the Council adjourned by consent at 7:40 P.M.

ADJOURNMENT

ATTEST:

Mayor

City Secretary

Date Approved