Minutes
Regular Session
Breckenridge City Commission

January 6, 2014 – 6:30 P.M.
Breckenridge City Offices Commission Chambers
105 North Rose Avenue
Breckenridge, Texas 76424

Those Present: Kody Knight, Mayor Pro-Tem; David Wimberley, Commissioner; Sherry Strickland, Commissioner; Andy McCuistion, City Manager; Heather Robertson, City Secretary; Diane Latham, Assistant City Secretary; Malcolm Bufkin, Fire Chief; Calvin Chaney, Asst. Fire Chief; Stacy Harrison, Public Service Director; Rob Durham, Breckenridge American; Gabriel Rodriguez, Public Works Director; Larry Mahan, Police Chief; Felicia Anthony; Brother Leo Brooks, Trinity Baptist Church; Rodolfo Segura, Jr, McCall, Parkhurst & Horton; Colden Rich, e-HT; Sage Diller, e-HT; Bill Andrews

Those Absent: Jimmy McKay, Mayor

1. **Call to Order**

   Kody Knight, Mayor Pro-Team, at 6:30pm a quorum was established

2. **Invocation Led By**

   Brother Leo Brooks, Trinity Baptist Church

3. **Pledge of Allegiance**

   Commissioner Strickland led the Pledge of Allegiance

4. **Consider approval of minutes of the December 2, 2013 City Commission Meeting**

   Commissioner Wimberley made a motion, seconded by Commissioner Strickland, for approval of minutes of the December 2nd 2013 City Commission Meeting. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

5. **Citizens Presentations**

   Bill Andrews filled out the Citizens Presentation Form with concerns for items numbered 7, 11, 16, 18c, and 18d. These concerns will be addressed at each item number.

CONSENT AGENDA

ALL ITEMS LISTED BELOW ARE CONSIDERED TO BE ROUTINE BY THE CITY COMMISSION AND WILL BE ENACTED WITH ONE MOTION, THERE WILL BE NO SEPARATE DISCUSSION OF ITEMS UNLESS A COMMISSION MEMBER OR CITIZEN SO REQUEST, IN WHICH EVENT, THE ITEM WILL BE REMOVED FROM THE GENERAL ORDER OF BUSINESS AND CONSIDERED IN ITS NORMAL SEQUENCE.

6. **Request to approve Departmental Reports**

7. **Request to approve day and time change of Commission meetings**

   Bill Andrews stated that he wanted to know what day and time that the Commission meetings were going to be held. Commissioner Strickland informed Mr. Andrews that the Commission meetings will be held on the first Tuesday of each month at 5:30 P.M. starting February 4th of 2014.

8. **Request to accept the resignation of Scott Carter, City Commissioner, Place 4**

9. **Request to approve resolution to appoint Tom Cyprian to City Commissioner, Place 4**

10. **Request to approve resolution to appoint Lane Petty to P & Z Board to replace Tom Cyprian**

11. **Request to approve resolution authorizing exemption of certain vehicles from requirements of Chapter 721 of the Texas Transportation Code, Identification of City and County vehicles and heavy equipment**

    Mr. Andrews stated that he did not understand what the request was for. Police Chief Mahan answered Mr. Andrews's concern by explaining to him that all it meant was that instead of putting Texas exempt plates on all of the City's vehicles, that we are able to put regular plates on some of our vehicles. For example, we can put regular plates on an unmarked police vehicle for undercover work.

12. **Request to approve resolution of the Board of Adjustments term expiration dates**

13. **Request to approve Cemetery Clean Up News Release**

14. **Request to approve amendment to the Safety Manual**

    Commissioner Strickland made a motion, seconded by Commissioner Wimberley, to approve the Consent Agenda items 6 through 14. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

INDIVIDUAL CONSIDERATION

15. **Request to approve Ordinance establishing regulations regarding the use of cell phones in school zones.**

    Police Chief Mahan stated there is state law stating that you cannot use cell phones in school zones. According to the state law, we have to have a City Ordinance saying that we will enforce that law. Heather and I were discussing earlier about whether this will be a one reading or a two reading, and since there is a penalty attached to it, this will be a two reading.

    City Manager McCuistion stated that the second reading will be in February.

    Commissioner Wimberley made a motion, seconded by Commissioner Strickland, for approval of Ordinance establishing regulations regarding the use of cell phones in school zones. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

16. **Request to Consider Adoption of an Ordinance Authorizing the Issuance of City of Breckenridge, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2014, in the Principal Amount of $2,380,000 and Awarding the Sale of Such Certificates of Obligation to the Texas Water Development Board**

    City Manager McCuistion introduced Rodolfo "Rudy" Segura to address this item.

    Mr. Segura stated that the City submitted an application last year for financial assistance. The Water Development Board has a program where they lend money each year on a regular basis, if there is any money left over they also do an Emergency Funding. Sage Diller and Colden Rich with e-HT, gathered information from the City and submitted an Emergency application to finance the floating pump station at the intake structure at Lake Daniels as well as the replacement of existing water lines to reduce loss and also to do some hydraulic modeling. The state offered us the $2.38 million in a loan and there is no loan forgiveness. Often times when they tell you to apply, they tell you that you may qualify up to 70% loan forgiveness, but a lot of time it comes down to the medium household income in the neighborhood and area and if it is not below a certain level than you are not eligible for that type of forgiveness. What they are offering is a $2.38 million dollar loan, a 30 year loan at a subsidized interest rate. Basically they offer you about 1.25% below the market rate. You have a financial summary in your packets. If you authorize this today, you will have the money in hand February 13, 2014. There is a different interest rate for each year, but when you take it all into account the overall interest rate, including all the cost of borrowing money, it is about 3.987% which again is about 1.25% below market rate. You will have your first interest payment due September of this year, and the first principal will be due in March of 2016. On the sheets in your packets it shows the annual debt cost of the City. You have a different rate for each year, each year you go out longer there are more risks so the rates go up. The total debt service for each year is about as level as they can get it at about $135,000 per year in principal and interest. The security for this loan is both your taxing power as well as your water and sewer system revenues. The City has pledged both for this loan. The Ordinance is not only an Ordinance it is also a contract with the Texas Water Development Board which is a state agency. All the money from this loan has to go to benefit the governmental projects, public services, public works; it cannot be used to help any particular property or individual. If there are no further questions, I will turn the floor over to Sage Diller.

Mr. Diller stated they had applied for an application from the Water Development Board for the floating pump station and numerous water line replacements throughout the city. Andy has provided us with some examples of some of the line issues that we have had thus far and more recently. In the application we have a million dollars scheduled for water line replacement plus the contingency money. And with item number 18a, we have already started the design with the floating pump station. It is based on some of the water quality sampling that we have done. We have gone back through and had the entire city approved just in case we have additional money then we can replace some additional water lines. And it does look like we will have some additional money available, but we won't know exactly until we do all the bidding. What appears to be one of the biggest needs for the city is the increase on conservation in reducing water loss. That is one thing that it looks like we will be able to do.

City Manager McCuistion stated we had given the engineers information about the water lines that we are having the most problem with. The purple lines on the map, there is not very many of them, but they are all across the city and they indicate a million dollars' worth of work. Those lines may not stay there; we may find issues with other lines that will take the place of the original lines we chose. A million dollars does not cover very much.

Commissioner Strickland asked how old these lines were. Public Works Director Gabriel replied that some of these lines are dated from 1929 and 1930.

Mr. Diller continued with the City's water loss percentage. City Manager McCuistion stated that it was 20%. Mr. Diller explained that ideally if we were to replace every one of the old lines and all the bad leaky valves, you can reduce that loss and save money. Will be less water you are pumping, treating, and less water overall on your system that you are losing. In theory, that will help offset some of the debt payment.

Commissioner Knight asked Mr. Andrews if he had any questions on this item. Mr. Andrews stated that he pretty well covered it.

Commissioner Strickland asked if we discussed the hydraulic modeling. Mr. Diller answered that the City does not currently have a hydraulic model. Basically, we have to go in and layout all the water line and sizes, model the pump stations, elevated tanks, and all that. When we started talking about the interconnection between the regional water supply company, about possibly pumping water this way, there was no data there to possibly see what kind of improvements we will need. In doing this hydraulic model, which is recommended they have anyway, that led the discussion, and if it gets funded, partly through the Water Development Board, that was the justification for doing so. We have already started doing this by taking the City's existing maps and have gotten them updated into the CAD system, I brought some for the City staff to mark up and if there are any changes, we can get those done now. Basically we will get the entire City mapped to where you will know what lines are where and when they were installed. You can find out what type of pressures you are getting in certain areas, how you can make the system more efficient; there are a lot of advantages in doing that.

Mr. Andrews asked about item numbers 18c and 18d. He wanted to know what SCADA meant and to make sure he understood what WWTP meant. Mr. Diller answered Mr. Andrews's question that SCADA meant Supervisory Control and Data Acquisition. Basically it will monitor pump stations and water levels, and communicates through radio frequency back to the Water Plant.

Mr. Andrews asked about item number 19b. He wanted to know what ISO stood for. Commissioner Strickland answered that ISO meant International Standard Operations. City Manager McCuistion stated to Mr. Andrews that we will talk about that once we get to the item.

Commissioner Strickland asked about when the payments are due and when the work actually starts. Mr. Diller answered that the water line replacement project would start within a year from February.

Commissioner Wimberley made a motion, seconded by Commissioner Strickland, to approve the request to Consider Adoption of an Ordinance Authorizing the Issuance of City of Breckenridge, Texas Combination Tax and Surplus Revenue Certificates of Obligation, Series 2014, in the Principal Amount of $2,380,000 and Awarding the Sale of Such Certificates of Obligation to the Texas Water Development Board. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

17. **Request to approve amendment to Zoning Ordinance as provided from the Planning and Zoning Board**

Fire Chief Bufkin explained how the Conexes will benefit the town as far as making it look better in certain areas of the town, along with how the City will make money off the scrap metal if the City was to acquire property with one of these on it. He also explained that there are certain things that an owner has to do to bring it up to code as far as painting it, making sure that it has two doors on the unit and it will have to be tied down. There are also rules that state that only one family is allowed to live in this type of structure and that they will only be allowed in R4 Zones. We will deal with the Conexes on a case by case basis. When a resident requests to put one on their property, a letter will go out to the neighbors within 200 feet of that location to inform them about it. A meeting will be held with the Board of Adjustments, and it will go from there whether it gets approved or not. We will look at the plumbing and electrical to make sure that it is up to code. We will allow them to stack them as long as it does not go over our 25 foot maximum height in our residential area.

Commissioner Wimberley made a motion, seconded by Commissioner Strickland, to approve amendment to Zoning Ordinance as provided from the Planning and Zoning Board. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

18. **Request to approve engineering work orders for the following items:**
    a. **Engineering Services for Lake Daniel Floating Pump Station**
    Mr. Diller stated this was a prefunding of the design on the floating pump station. We have initiated that work and started collecting data for the hydraulic model. It will be fully refunded when we close on the loan in February.
    b. **Engineering Services for U.S. 180 Development Fire Flow Analysis**
    Mr. Rich introduced himself and he stated that they were asked to do a fire flow analysis for a purposed development located off of U.S. 180. We have started the project to make sure that the existing location has adequate fire flow that is required for the

purposed development. We have found that you do not have the adequate fire flow. Now we are looking into what kind of option the city has to get that kind of fire flow at that location. This is just a work order to allow us to begin that evaluation.

c. **Engineering Services for Emergency SCADA Improvements**
Mr. Rich informed us that this is for improvements of the SCADA system that is located at the Water Treatment Plant. The SCADA system is essentially the control system for the entire water system. It allows communication between your existing pumps at the water treatment plant and all of the tanks in town. The technology is outdated and it is getting harder and harder to get someone to repair that system let alone to find the parts to fix it.

d. **Engineering Services Agreement for WWTP Aerator Procurement**
Mr. Rich stated that this project involves the aerators in the oxidation ditch at the waste water treatment plant. We have been having problems with the existing aerators continuously breaking down and having to be repaired. We are looking into options that will replace the existing ones with ones that have a longer operational life.
Andy stated that there are four aerators in our ditch, we have only had two working, and as of today one of those quit working. If the other one goes down, then we will have serious problems. We are either going to have to accelerate this project and get the new ones in there, or we are going to have to rent some. It would be more cost effective if we were to buy them.

Commissioner Strickland made a motion, seconded by Commissioner Wimberley, to approve items 18a, b, c, and d. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

19. **City Manager Reports**

a. **Fire Hydrants**

b. **ISO**
Item 19a correlates with item 19b. Calvin Chaney stated that the ISO is an Insurance Safety Office out of New York. The insurance rating is called a PPC – Public Protection Classification. Most insurance companies in Texas use the PPC to insure property. If someone wants to build a house here, the insurance company is going to look at what the PPC rate is. On a scale of 1 to 10, with 10 being the worse, we are at a 6. With all the information we have gathered within the last year and the fact that we have improved our manpower, equipment, homes, and once we get the water system done, that will help our rating lower from a 6 to hopefully a 3 or 4. According to Germania Insurance if we were to lower our rating to a 4, in the residential area, the insurance rate can drop 9.1% for every residential house in town. If we achieve to get an extra 25 to 30 points we can get a class 4 rating. Out of 106 points we are at 49 points as of 1994. We have made a lot of improvements that get extra points. We can have ISO come out anytime we want to reevaluate us.

c. **Storm Report**
Public Works Director Rodriguez stated that with this last ice storm, we had to rent equipment because ours was down; we rotated 4 guys every 36 hours, and during that time frame of 7 days we were averaging $2500 to $5500 a day. With the guys working

their regular 8 hours, overtime, fuel, rental of equipment, replacement of water lines, we ended up spending a little over $20,000 in 7 days.

d. **Website**

City Secretary Robertson-Caraway gave a report on the website.

20. **Items from the City Commission not requiring formal action**

None

21. **Adjourn**

Commissioner Wimberley made a motion, seconded by Commissioner Knight, to adjourn the meeting. When the motion was put to vote, it prevailed as follows: Ayes: Knight, Wimberley, Strickland. Nays: None. Absent: McKay

Meeting adjourned at 7:56 P.M.

ATTEST

Jimmy McKay, Mayor

Heather Robertson, City Secretary

SEAL

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SEAL
TEXAS