

**MINUTES OF SPECIAL MEETING OF THE GOVERNING BODY
OF THE CITY OF LAMPASAS, TEXAS
CITY COUNCIL CHAMBERS
405 SOUTH MAIN STREET
Monday, August 19, 2019
5:30 p.m. Special Session**

The City Council of the City of Lampasas met in special session on the above date with Mayor Misti Talbert presiding.

Council Members present:

T.J. Monroe, Mayor Pro Tem
Chuck Williamson
Randy Clark
Cathy Kuehne
Delana Toups
Michael White

Council Members absent:

None

City Staff Present:

Finley deGraffenried, City Manager
Gary Cox, Assistant City Manager
Christina Marez, City Secretary
Yvonne Moreno, Finance Director
Van Berry, Golf Course Manager
Shanda Subia, Library Director
Sammy Bailey, Police Chief
Jeffrey Smith, Fire Chief

**SPECIAL SESSION
5:30 P.M.**

I. Call to order Special Session

Mayor Talbert called the Special Session to order at 5:32 p.m.

II. Adjourn into Executive Session

Mayor Pro Tem Monroe moved to adjourn into executive session at 5:33 p.m. The motion was seconded by Council member Williamson and with a unanimous vote, the motion carried.

City Manager deGraffenried requested that Gary Cox, Assistant City Manager, be allowed in Executive Session. Council allowed.

EXECUTIVE SESSION

The City Council of the City of Lampasas, Texas will meet in closed Executive Session pursuant to the Texas Government Code, Chapter 551, as follows:

1. Section 551.071 (1) (A) and 551.071(2), Consultation with Attorney by telephone and/or in person concerning matters upon with the attorney has a duty and/or responsibility to report to the governmental body; Cause No 302,699-C, Bell County District Court, 169th Judicial District Central Texas Water Supply v. Kempner Water Supply Corporation, City of Lampasas Intervener and/or other matters posted on the regular agenda.

Executive session was adjourned at 5:45 p.m.

III. Adjourn into Special Session

Mayor Pro Tem Monroe moved to adjourn into Special Session at 5:46 p.m. The motion was seconded by Council member Toups and with a unanimous vote, the motion carried.

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| SPECIAL SESSION |
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IV. Discussion and possible action concerning items posted and discussed by Council in Executive Session

Mayor Pro Tem Monroe moved to authorize Legal Counsel to proceed with strategy as discussed in Executive Session. The motion was seconded by Council member Clark and with a unanimous vote, the motion carried.

V. Discussion regarding debt issuance options for funding capital projects.

City Manager deGraffenried explained that Jennifer Ritter, with Specialized Public Finance, is present to discuss funding options for capital items such as the Public Safety Communication or Fiber project.

Ritter reviewed the following:

- Certificate of Obligation
- Revenue bonds
- GO Bonds – would need to call an election for the voters; too late to do for November election; If the City chooses to go with a Certificate of Obligation, all projects the City is wanting to do, must be listed with it; money cannot be used for non-listed items
- She reviewed the current 2011 CO Bond, could save some money if the City decided to refinance
- She reviewed the different interest rate increases to the amounts of borrowing from 3 million up to 6 million

VI. Discussion and possible action regarding the approval of purchase of two replacement trucks due to age and condition in an amount not to exceed \$ 28,000.00 per truck for the Cemetery and Animal Shelter.

Gary Cox, Assistant City Manager, reviewed the quotes received from local dealers and state the contract. He said that City Staff revised the specifications of the vehicles sought and now are comparing apples to apples.

After review of the quotes, Cox recommended purchase of the two trucks from Hoffpauir Chevrolet. The timeline to receive the trucks is approximately four weeks.

Council member Toups moved to approve the purchase of two replacement trucks due to age and condition in an amount not to exceed \$ 28,000.00 per truck from Hoffpauir Chevrolet. The motion was seconded by Council member White and with a unanimous vote, the motion carried.

VII. Discussion and possible action regarding modifications to the FY 2019 Budget

City Manager deGraffenried provided an update on the status of the FY 2020 Budget, including modifications discussed at the August 12, 2019 Council meeting. He reviewed the following:

- Goals
 - Council Direction
 - Funding Sources
 - Employee Retention
- Currently
 - Flat budget
 - Slight increases in projects
 - Increase in paving
 - Increase in Economic Development/Infrastructure Funds
 - Unfunded Priorities
 - Police Safety Communications – approximately 1 million
 - Fiber infrastructure – approximately 4 to 6 million
 - FD Engine – approximately \$750,000.00
- Utilities, Tax Rates, Compensation
- Funding Sources Review
 - Tax rate \$0.415 = \$86,983.00
 - Garbage \$1.25 increase = \$42,990.00
 - Water 5% increase = \$141,345.00
 - Sewer 5% increase = \$86,685.00
 - Electric \$0.0025 increase = \$266,260.00
 - Electric \$0,.001 increase = \$106,504.00
- Pole Attachment renegotiation – hire a consultant
- City Manager deGraffenried reviewed examples of electric increase impact
- Retention/Recruitment/Compensation
 - Adjustment to salary ranges – 3%
 - \$74,284 for 32 positions
 - COLA – burdened – 2% = \$128,328.00; 1% = \$64,164.00
 - Position adjustments
 - \$40,875
 - 2 Admin
 - 5 Exempt
 - 2 Parks
 - 6 Police Department
 - 1 Fire Department

- 1 Golf Course
- 3 Electric
- 1 Water/Wastewater

Council discussion included:

- The City is not in financial situation to address all positions
- Council member White wanted to make it clear, not raising taxes to increase salaries
- When considering increases, the question to ask is the importance of the position to the City
- Really need to look at the positions that are out of the range market
- City Manager should be the one that considers the positions that should receive the increase
- Council member Clark wanted to relook at the positions that are below the market and compare to the City Manager's recommendation; are the 21 adjustments that he was recommending the ones that are affected by being below the market; City Manager said they were adjustments he felt were necessary to those positions in those departments
- Council felt that Public Safety and the Electric Department needed to be considered first

deGraffenried continued:

- Wrap up
 - Additional items or modifications
 - Additional information or research
 - Follow up for August 26 Council meeting

Council member White was in favor of considering the electric increase of \$0.001 = \$106,504.00 and garbage increase of \$1.25 = \$42,990.00 but not in favor of raising ad valorem tax. Council member Toups agreed with him.

It was the consensus of Council to raise the garbage rates by \$1.25 as presented.

No action was taken.

VIII. Adjourn Special Session

Council member Clark moved to adjourn the meeting at 7:14 p.m. The motion was seconded by Council member White and with a unanimous vote, the motion carried.

PASSED AND APPROVED this _____ day of _____, 2019.

Misti Talbert, Mayor

ATTEST:

Christina Marez, City Secretary