



SPECIAL CITY COUNCIL MEETING TUESDAY, SEPTEMBER 11, 2018 at 6:30 P.M.

KRUM CITY HALL – 146 W. McCART STREET

Ronald G. Harris, Jr., Mayor
Austin Petersen, Councilmember - PI.1
Melynda Rivers, Councilmember - PI.3
Lance Vanzant, City Attorney

Rhonda Harrison, Mayor Pro Tem - PI.2
Toby L. Lawrence, Councilmember – PI. 4
Mike Strand, Councilmember - PI.5
Andrea Dzioba, City Secretary

MINUTES

A. CALL TO ORDER

Mayor Pro Tem Rhonda Harrison called the meeting to order at 6:30 p.m.

B. QUORUM PRESENT

Those present were Mayor Pro Tem Rhonda Harrison, Councilmembers Mike Strand, Austin Petersen, Melynda Rivers, and Toby L. Lawrence. Mayor Ronald G. Harris, Jr. was absent. Also present were Police Chief Terry Hargis; Fire Chief Ken Swindle; Finance Director Shelly Neckar; Library Director Donna Pierce; Public Works Director Devon Kennedy; Assistant City Attorney Trey Sargent; and City Secretary Andrea Dzioba.

C. INVOCATION/PLEDGE OF ALLEGIANCE

Mayor Pro Tem Rhonda Harrison led the pledges to the United States Flag and the Texas Flag.

The invocation was given by Councilmember Austin Petersen.

D. REGULAR AGENDA ITEMS

1. **Hold a public hearing on a proposal to consider a tax rate, which will exceed the lower of the rollback rate or the effective tax rate and will increase total tax revenues from properties on the tax roll in the preceding tax year by 9.29%.**

Mayor Pro Tem Harrison announced that this is the second of two public hearings to discuss the Fiscal Year 2018-2019 proposed tax rate of \$.647489 that represents the same tax rate as the Fiscal Year 2017-2018 tax rate of \$.647489. The City Council will vote on both the Fiscal Year 2018-2019 Proposed Budget and the proposed tax rate at a meeting scheduled on September 19, 2018 at 6:30 p.m. located at Krum City Hall at 146 W. McCart, Krum, Texas. Once the public hearing is opened, the public is encouraged to express their views.

Mayor Pro Tem Harrison opened the public hearing at 6:34 p.m.

Mr. Larry Lamonica, 206 W. Lake Street, stated that there is a tax increase based upon the cover sheet in the packet and takes offense to the quality of life that the City stated it wanted to maintain. He discussed the quality of streets and that they need to be maintained on a 4-year rotational basis. He expressed concerns with where money isn't going and layers of government. He talked about how the streets cause damage to vehicles and that infrastructure is critical.

Mayor Pro Tem Harrison closed the public hearing at 6:40 p.m.

No further action was necessary.

2. Hold a public hearing to receive community input on the FY 2018-2019 Proposed Budget.

Mayor Pro Tem Harrison opened the public hearing at 6:41 p.m.

Mr. Larry Lamonica, 206 W. Lake Street, pointed out that there are increases in the budget but only \$125,000 for street repair and that there is not enough money allocated to parks. He said that he doesn't think that we'll get the grant for the park because of the previous Texas Parks and Wildlife grant. He stated that he wondered what happened to the extra money for the sewer plant that was to be used for replacing old clay pipes. He advised that impact fees are one-time income and should be used for infrastructure. He pointed out that the Fire Department has a gap between revenue and expenditures and it should be a "moneymaker". He advised that the Police Department should not be for revenue.

Mayor Pro Tem Harrison closed the public hearing at 6:46 p.m.

No further action was necessary.

3. Consider and take action on approval of a RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KRUM, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2018 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

Assistant City Attorney Trey Sargent advised that he was able to obtain clarification on some of the language contained in the documents and that he was satisfied with the information provided.

Councilmember Lawrence made a motion to approve a RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KRUM, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2018 RATE REVIEW MECHANISM FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL with a second by Councilmembers Rivers and Strand.

The following votes were cast:

Ayes: Strand, Harrison, Rivers, Lawrence, Petersen

Nays: None

Absent: None

The motion carried unanimously.

4. Discuss and review the proposed budget for Fiscal Year 2018–2019.

Mayor Pro Tem Rhonda Harrison opened the agenda item. There were no questions or discussion.

E. EXECUTIVE SESSION – None

Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations Regarding Real Property), 551.074 (Deliberations Regarding the Appointment, Duties, Discipline or Termination of Personnel) and 551.087 (Deliberation Regarding Economic Development Negotiations). Executive Session may be held under these exceptions and at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council Meeting.


F. ADJOURN

The meeting adjourned at 6:49 p.m.

APPROVED:



Ronald G. Harris, Jr., Mayor



Andrea Dzioba, City Secretary