

Minutes  
Regular Session/Public Hearing  
Breckenridge City Commission  
September 5, 2017 – 5:30 P.M.  
Breckenridge City Offices Commission Chambers  
105 North Rose Avenue  
Breckenridge, Texas 76424

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**Those Present:** Jimmy McKay, Mayor; Tom Cyprian, Commissioner; Rob Durham, Commissioner; Andy McCuiston, City Manager; Diane Latham, Asst. City Secretary; Houston Satterwhite, Public Works Director; Stacy Harrison, Public Services Director; Don Bearden, Reverend; Colden Rich, e-HT; Sage Diller, e-HT; Virgil Moore, BEDC; Tony Pilkington; Lorynne Benavides

**Those Absent:** Russell Blue, Commissioner; David Wimberley, Commissioner

1. **Call to Order:** Jimmy McKay, Mayor, at 5:30 pm a quorum was established
2. **Invocation Led By:** Don Bearden, Reverend
3. **Pledge of Allegiance:** Led by Mayor McKay
4. **Consider approval of minutes of the July 27<sup>th</sup>, August 1<sup>st</sup>, 22<sup>nd</sup> & 29<sup>th</sup>, 2017 City Commission Meetings.**

Commissioner Cyprian made a motion, seconded by Commissioner Durham, for approval of minutes of the July 27<sup>th</sup>, August 1<sup>st</sup>, 22<sup>nd</sup> & 29<sup>th</sup>, 2017 City Commission Meeting. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

5. **Citizens Presentations**

None.

### **PUBLIC HEARING**

6. **Public Hearing to receive comments concerning the budget for the City of Breckenridge for the fiscal year 2017-18.**

Opened: 5:32 pm

None.

Closed: 5:33 pm

## 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 REQUESTS, IN WHICH EVENT, THE ITEM WILL BE REMOVED FROM THE GENERAL ORDER OF BUSINESS AND CONSIDERED IN ITS NORMAL SEQUENCE.**

- 7. Request to approve Departmental Reports.**
- 8. Request to approve Resolution 17-18 for the appointment of members to the Board of Directors of the Breckenridge Economic Development Corporation.**
- 9. Request to approve Breckenridge Economic Development Corporation Budget for fiscal year October 1, 2017 through September 30, 2018.**
- 10. Request to approve Resolution 17-19 confirming and accepting securities pledged for Municipal funds while acting as City Depository.**
- 11. Request to approve Ordinance 17-14 End of Fiscal Year Budget Adjustments Amending Ordinance 16-20.**
- 12. Request to approve Resolution 17-20 to authorize City Manager and the Mayor to secure a line of credit to alleviate any possible short term cash flow.**

Commissioner Durham made a motion, seconded by Commissioner Cyprian, to approve the Consent Agenda. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

## INDIVIDUAL CONSIDERATION

- 13. Request to Ratify the Property Tax Revenue Reflected in the 2017-2018 Budget.**

Mayor McKay stated: "This budget will raise more total property taxes than last year's budget by \$110,068 (5.51%), and of that amount \$3,954 is tax revenue to be raised from new property added to the roll this year."

Mayor McKay made a motion, seconded by Commissioner Durham, to ratify the Property Tax Revenue Reflected in the 2017-2018 Budget. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

- 14. Request to approve Ordinance 17-12 Adopting the Budget and Appropriated Resources for the Budget Year Beginning on October 1, 2017 and ending September 30, 2018.**

City Manager McCuiston explains that we have held the Budget workshop and the required two (2) Public Hearings. The budget has turned out better than we anticipated. We are going to be able to do some things this next year that we have not been able to do this year. Hopefully, the Sales Tax has bottomed out and tends to be going the other direction for the last few months.

Property Taxes appraisals and Minerals were increased, new property was down but that is a reflection of what the economy is around here. We have new projects currently that are underway, such as Resource Care; so, there is a little bit of new development going on. We will be giving the employees a 3% raise this next year; they have not had a raise since January of 2015. Capital Projects are moving along and overall we expect a little bit better year this next year.

Commissioner Durham made a motion, seconded by Commissioner Cyprian, to approve Ordinance 17-12 Adopting the Budget and Appropriated Resources for the Budget Year Beginning on October 1, 2017 and ending September 30, 2018. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**15. Request to approve Ordinance 17-13 Levying a Maintenance and Operating Tax Rate and a Debt Service Tax Rate for the City of Breckenridge, Texas, for the Tax Year 2017.**

City Manager McCuiston stated that the tax rate is actually going down from a \$1.04 to a \$1.0365 but the taxes will be going up. The Roll Back Rate was a little over a \$1.06, the Effective Rate was a little under a \$1.02 and we are somewhere in the middle of that. We will generate more Revenue. Raising the taxes was the last thing we looked at after we developed the Budget and started looking for Revenue. Plans going forward if the economy holds up are to decrease the tax rate and the water rates.

Mayor McKay - "I move that the property tax rate be increased by the adoption of a tax rate of \$1.03650 which is effectively a .33 percent decrease in the tax rate. This would be a debt service rate of \$0.35194 and a maintenance and operations rate of \$0.68456," seconded by Commissioner Durham. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**16. Request to approve Ordinance 17-15 Network Nodes in the City ROW.**

City Manager McCuiston explains that this has to do with the cell towers and providers. The providers want to put them everywhere, accelerate the process and not to pay for use of the public right of way (ROW). There are ongoing court cases, legislative and regulatory issues. In using our resources with TML and the Texas Coalition of Cities that have experts involved with these issues, And since a state law recently passed with regard to this issue, they are advising us to change our ordinance. This is the change they have recommended.

Commissioner Cyprian made a motion, seconded by Commissioner Durham, to approve Ordinance 17-15 Network Nodes in the City ROW. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**17. Consider and act upon adoption of a resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation.**

City Manager McCuiston explains that this item has to do with funding the Parks Street Project through Rural Development. Our Bond Counsel has provided us with information on the timelines involved. We need to adopt this item tonight just to be able to publish to notify the public that we are going to issue Certificates of Obligation for this project. Along with this we have been informed we need to hold a special meeting on October 17<sup>th</sup> we have set it at 9:00 am. This process will move forward and go to about December. Then in December they should fund it. When they fund it, we should get our money that will pay the \$230,000 engineering fees. We expect to award the project at the October meeting. It is interesting that we will award the contract before the funding; but it appears that everything is on track and the engineers and the bonding counsel don't have a problem with this knowing the timelines involved. So, this is just asking the Commission to approve us to advertise twice to accommodate the timeline on the project.

Commissioner Cyprian made a motion, seconded by Commissioner Durham, to approve to act upon adoption of a resolution directing publication of notice of intention to issue combination tax and revenue certificates of obligation. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**18. Request to approve Agreement with Environmental Consultants, Inc. (ECI) to serve as Program Coordinator for the Land Application of Water Treatment Plant (WTP) Sludge on the MT7 Ranch.**

City Manager McCuiston explains that this is something we do regularly. The sludge that comes out of the WTP is land applied and we have to report to the state and ECI handles the reporting and it is time to renew the contract.

Commissioner Durham made a motion, seconded by Commissioner Cyprian, to approve Agreement with Environmental Consultants, Inc. (ECI) to serve as Program Coordinator for the Land Application of Water Treatment Plant (WTP) Sludge on the MT7 Ranch. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**19. Request to approve Water Treatment Plant Sludge Hauling Bid Call 17-01.**

City Manager McCuiston explains that Texas Tank Trucks has had this contract for some time now. We did get two (2) bids this year but one (1) came in late and we couldn't accept the bid. So, we need to award the bid again to Texas Tank Trucks. They went up this year from \$180 to \$200 per load. City Commissioner Cyprian asks how many loads are hauled. Public Works Director Satterwhite and Sage Diller, e-HT both concur that it is 2 to 3 per week. Colden Rich, e-HT, explains that depending on the clarifier maintenance you may have times where there are more loads per week.

Commissioner Cyprian made a motion, seconded by Commissioner Durham, to approve Water Treatment Plant Sludge Hauling Bid Call 17-01. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**20. Consider acceptance and final approval of paving project.**

Sage Diller, e-HT, has a handout and explains that the 2016 paving improvements project is now complete. The contractor notified us last week – we performed a walk through inspection. We noted a couple of minor items and issued a punch list. I am recommending that you approve this contingent upon the punch list items being completed.

Mayor McKay made a motion, seconded by Commissioner Durham, for the acceptance and final approval of paving project. When the motion was put to vote, it prevailed as follows: Ayes: McKay, Cyprian and Durham. Nays: None. Absent: Blue and Wimberley.

**21. Update on the Wastewater Treatment Plant Project.**

Colden Rich, e-HT explains we were hoping to be able to award the project today; however, we received one (1) bid and it was high. We have been working with this contractor on the price and the construction and we feel that we will be able to bring you something more definitive next month.

Mayor McKay states that he is ready to see this move forward – this has been a long drawn out process.

No action taken.

**22. Consider and discuss Walker Sayle Water/Sewer Rates and take appropriate action.**

City Manager McCuiston explains that we generate around \$82,000 per year on sewer from Walker Sayle. We can decrease that rate by 5% and it will reduce our revenue by \$4,100; by 10% will reduce revenue by \$8,200. Discussion ensues regarding water and sewer rates.

Mayor McKay states that we really need to decrease Walker Sayle rates; we don't want the unit to be closed. Discussion ensues among the staff, commissioners and Virgil Moore with BEDC on the Walker Sayle Unit, economic issues and impact.

Commission wants more information and numbers on decreasing the water and sewer rates at the Walker Sayle Unit and bring it back to the commission.

No action taken.

**23. City Manager Reports**

**a. Library and Fine Arts Foundation**

Thanked the commission for funding them.

**b. Engineer's update on Capital Projects**

Sage Diller, e-HT gave the following updates:

- 183 South Project – should start at the end of the month
- 183 North project – pushing to get design going
- Parks Street Project – should award in October

Public Works Director Satterwhite mentioned valves at Daniels and Hubbard to go to RE Dyes.

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

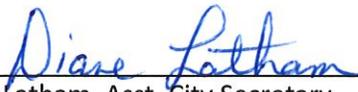
None.

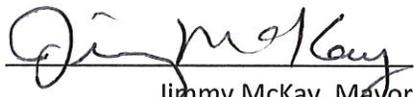
**25. Adjourn**

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

Meeting adjourned at 6:08 P.M.

ATTEST

  
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Diane Latham, Asst. City Secretary

  
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Jimmy McKay, Mayor

