

City Council Chamber  
 2821 Washington Street

**City Council**  
 David L. Dreiling, Mayor

 Place 1 Jerry Ransom, Mayor Pro Tem  
 Place 4 Holly Gotcher

 Place 2 James Evans  
 Place 5 Brent Money

 Place 3 John Turner  
 Place 6 Cedric Dean

**Work Session Minutes**
**1. Call to Order**

Mayor Dreiling called the work session to order at 5:00 p.m. and noted for the record that Mayor Pro Tem Ransom and Councilmembers Evans, Turner, Gotcher, Money, and Dean were present. Also present were City Manager Summer Spurlock, City Attorney Daniel Ray, and City Secretary Carole Kuykendall.

**2. Items to be Discussed**

## A. FY 2018-2019 Budget Discussion

City Manager Summer Spurlock highlighted changes to the proposed FY 18-19 budget based on the effective tax rate (\$0.657162) beginning with:

## Revenue:

Franchise Fee – GEUS	Increase	\$ 75,000
Sales Tax Increase	Decrease from 2% to 1%	\$(78,400)

## Expense:

Retirement/Separation Payout	Add Back into Budget	\$ 20,000
Planner Position Merit Increase	Won't begin before October	\$ ( 3,209)
Police Pay Plan	Effective January 1, 2019	\$(98,708)

This proposed Police Pay strategy does not kick the can down the road. Current pay plan positions are 15%-25% below average of competitive cities and the proposed pay plan will have positions that are only 1%-13% below the average of competitive cities but at the top of comparison cities. This plan is proposed to be implemented over two years (implement January 1, 2019) for Year One \$233,863 and Year Two \$98,708.

Implementing the effective tax rate also allows for a Remote Access Control System (\$17,750) for the Reecy Davis Sr. Center; Parks F-250 Crew Cab (\$27,592); replacing carpet in the Finance Department; and replacing damaged carpet tiles in the Human Resource Department and the hallway of Municipal Building (\$10,000).

General Fund-Fund Balance with the effective rate is as follows:

▶ Beginning Fund Balance	\$ 6,767,806
▶ Proposed Revenues	\$24,569,661
▶ Proposed Expenses	\$26,088,197
▶ Proposed Ending Fund Balance	\$ 5,249,270

▶ Fund Balance Target	\$ 5,217,639
▶ Fund Balance Over Target	\$ 31,631

If the City Council were to consider a tax rate at \$0.652162/\$100 which is a half cent below the effective rate, the City would lose revenue in the amount of \$(95,362) and would bring in less money from property taxes than in the previous year. Eliminated from the proposed budget would be the Reecy Davis Remote Access Control System, the F-250 Truck, and carpet replacement.

General Fund-Fund Balance with half cent below effective rate is as follows:

▶ Beginning Fund Balance	\$ 6,767,806
▶ Proposed Revenues	\$24,474,299
▶ Proposed Expenses	\$26,032,855
▶ Proposed Ending Fund Balance	\$ 5,209,250
▶ Fund Balance Target	\$ 5,206,571
▶ Fund Balance Over Target	\$ 2,679

Mayor Pro Tem Ransom questioned the disparity in the franchise fee for electric. Spurlock stated she spoke with GEUS representatives and GEUS was comfortable with the numbers they used but the City looked at the history and the highest number GEUS budgeted was \$2.7 M and the highest the City has ever received was \$2.5 M so Spurlock wants to be conservative and not over project.

Mayor Dreiling commented that it is great that Spurlock is cutting back on the proposed tax rate but every year \$200,000 is put into road repair but costs are not going down so if the City goes to the same amount of money, the same tax rate as last year, then being able to do the things the City is trying to do does not have as much buying power. In his opinion, the Council should be targeting a tax cut of 2 cents instead of 3 cents and he believes going ½ cent lower than effective tax rate is foolish. He stated the City is growing, more people, more streets, more sewer main breaks that are continuing to expand, the City just need more effort there to get all that done. He would like to be able to cut the tax rate but doesn't think it is good business to cut it back that far.

Councilmember Evans said he still will not support anything above the effective rate. He would like to see it even go lower. Mr. Evans said they worked a long time in developing comparison cities and when did City Staff switch back to competitive cities. Spurlock said the City has not switched, but the City Council originally wanted to see where our officers were leaving to and it wasn't to our comparison cities. Evans concern is he sees vacant houses in his neighborhood for sale and people come here to work to get competitive salaries but then go back to their competitive cities. He would like to know the percent of our people who get paid but don't contribute to the City tax base. He said it is pretty simple, we need streets, we need sewer, and he is all for additional people and lines, but still would not employ a city planner at this time. It is proposed 1% COLA and the salaries and that means some people will be getting 6% raise. Councilmember Evans continued by looking at purchasing F-250 instead of F-150 and questioned the model of the proposed Fire Marshal vehicle. Spurlock said the F-250 are the standard package, not anything fancy, about \$7,000 difference in price, and the braking system nearly doubles in the F-250 and these vehicles are being used in the City on a day-to-day basis. She also stated the Fire Marshall vehicle is a super crew which includes equipment and cover. Parks trucks do not have a lot of equipment. Councilmember Evans stated \$25,000 is being proposed for vaccinations in the proposed budget and the Co-Op sells these for \$6.95 and how many were done last year. Mayor Dreiling stated Dr. McCrary had received donations for shots. Spurlock said 1,600 animals have taken to the shelter the first 9 months. Councilmember concluded by thanking the City Manager for making the cuts she has made.

Mayor Dreiling had a question on the 8,000 lb. load and did that include the weight of the trailer and Spurlock said it was included in total but not necessarily the equipment.

Councilmember Money stated he likes the braking power of the F-250 did not have a problem with the purchase of F-250 but if it needs to be purchased next year instead of this year, he would rather wait and purchase what is needed. Money also appreciated the hard work and would like to see the City go to the effective rate or under the effective rate and it is because a lot of hard decisions made over a period of time that Staff and Council can do this. He also believes maintenance needs to be done and deferring maintenance is like borrowing money.

Mayor Dreiling said he does not want to kick maintenance down the road and it is the City Manager's job to work with her department heads and their needs and not his place to second guess.

Councilmember Money said the last thing he would say is the City Manager has continually brought cuts in other areas of the proposed budget but not the COLA and pay raise and he will support those benefits this year but next year he won't, he wants to see a pay study to show where Greenville is.

Mayor Pro Tem Ransom said the City Manager has done an outstanding job preparing this budget but inherited a lot of surprises and she is doing good job responding to the requests of the council. He would like to discuss police salaries in comparison cities versus competitive cities. He thinks many times in comparing Greenville with Paris or Corsicana doesn't make much sense, it is like comparing apples to oranges. Have different tax rates and tax bases and economic drivers. Ransom believes the comparison cities thing was used just as a blunt instrument to justify raises or increases. Recently the City of Dallas will adopt a budget a starting salary of \$60,000 for police officers and Greenville must be cognizant of what is going on with our competitive cities. Ransom continued he believes the City committed to address salaries this year and the City needs to address the police salary issue and is the right thing to do and maybe make them effective immediately with this budget year. About merit increases, he stated the City employees are our most important asset and the City should strive to attract and retain the best people. But this is a business, not YMCA where everybody gets a trophy, and Mayor Pro Tem Ransom supports a merit program as it is motivating for the highest performers.

Mayor Pro Tem Ransom also wanted to discuss the lot remediation program and City Manager Spurlock said it has been successful and \$90,000 has already been built into the FY 18-19 proposed budget. He would also like the Committee to meet and with the assistance of City Attorney Ray tighten up an ordinance for substandard lots and structures. About the tax rate, Ransom concluded by saying last year the City Council missed a golden opportunity to reduce the tax rate by several cents and everyone around the City is raising taxes. The Council could give back to the citizens and they deserve it and Ransom can't find a reason not to adopt the effective tax rate. Many of the decreases in the budget were achieved in changing projections and even if these targets are met the recommended fund balance is still over \$5M and still over 20%. Spurlock said that is policy. Ransom said he would like to be able to say to our tax payers that the actual dollars you pay will not increase year over year and that is something we can do for them and he would like to see the Council vote for that and adopt either the effective tax rate or a tax rate that is ½ below the effective tax rate to ensure that everyone in the City sees a tax rate reduction and can't see that would affect the City's services.

Councilmember Turner said he is impressed with the whole thing but has two items of particular interest but will reserve those for a later date.

Councilmember Gotcher thanked the City Manager for all the hard work of the City Manager and Staff for the daunting and tireless task. Councilmember Gotcher said she looked at goals set for FY 18-19 and it would appear the budget is designed to follow those goals that the City Council implemented and wanted to applaud City Manager for that and find enough money for everything that needs to be done in the community that everyone wants. Councilmember Gotcher said we do the best we can with what we have and hope to make it a better place for all of our citizens.

Councilmember Dean ever since Spurlock started as City Manager she is doing awesome job especially putting up with the changes from the City Council requests and City Manager Spurlock always makes the deadline or reaches the goal of what the Council has asked.

Councilmember Money echoed what Dr. Ransom said and remarked he (Money) would like to see the City Council get below the effective tax rate but would like to see the maintenance that needs to be done with the carpet and still be under the effective tax rate. Money said he doesn't think there is anything magical about ½ cent or needs to be four tenths of a cent or whatever it is but it doesn't look like the Council is doing draconian cuts to get to that point which is good. Money said the Council needs to keep in mind the City is putting a lot of money into its water and sewer system that is going to hit people on the water rate and he thinks that the same time the City is lowering the tax rate and taking care of the maintenance issues the Mayor is talking about but the maintenance issue the City is really behind on is the water/sewer stuff. The City Council can't do this necessarily every year but now is a golden opportunity to give a true tax cut for the citizens and still at the same time give an average of 4% raise to employees, spend \$2 M on streets, and buy a lot of equipment that needs to be replaced. Councilmember Money thinks it is a fantastic budget and reflects the hard work of staff over the years and of citizens living here, eating here, buying clothes here and not driving 30 minutes west and really is a positive for our community. Greenville is growing right and not all fool's gold, but long term sustained growth and all of you out there should be commended, and the Greenville Board of Development for bringing in restaurants and businesses that are investing in our community. Money concluded by saying he would like to see a true tax cut below the effective rate.

### **3. Items on the Regular Agenda of September 11, 2018**

No items were discussed.

### **4. EXECUTIVE SESSION AS NEEDED FOR AGENDA ITEMS OR EXECUTIVE SESSION ITEMS AS LISTED ON THE REGULAR AGENDA - SECTIONS 551.071, 551.087, 551.072, 551.074, OR 551.073**

The City Council convened into Executive Session at 5:41 p.m. under Section 551.771.

### **5. Adjourn**

The City Council reconvened into Open Session at 6:01 p.m. and being no further discussion, the Work Session was adjourned at 6:01 p.m. by unanimous consent.

## **Regular Session Minutes**

### **1. Call to Order**

Mayor Dreiling called the regular meeting to order at 6:04 p.m. and noted for the record that Mayor Pro Tem Ransom and Councilmembers Evans, Turner, Gotcher, Money, and Dean were present. Also present were City Manager Summer Spurlock, City Attorney Daniel Ray, and City Secretary Carole Kuykendall.

### **2. Invocation**

Reverend Micah Johnson from Bethlehem Baptist Church gave the invocation.

### **3. Pledge of Allegiance**

Mayor Dreiling led the Pledge of Allegiance.

#### 4. Presentations

Mayor Dreiling read a 9/11 Proclamation in honor of Patriot Day and marking the anniversary of terrorist attacks in the USA in 2001.

#### 5. Citizens to be Heard

Carrie May spoke.

#### 6. Public Hearings

- A. Hold the Second Public Hearing on the Proposed Tax Increase (*Talia Willner, Administrative Services/Finance Director*)

Mayor Dreiling opened the Public Hearing and asked if anyone wished to speak. There was no one. Mayor Dreiling closed the Public Hearing.

- B. Hold the First Public Hearing on the Proposed FY 2018-2019 City of Greenville Budget in accordance with Local Government Code Section 102.006 (*Talia Willner, Administrative Services/Finance Director*)

Mayor Dreiling opened the Public Hearing and asked if anyone wished to speak. There was no one. Mayor Dreiling closed the Public Hearing.

#### 7. Ordinances

- A. Ordinance authorizing an agreement with Texas Department of Transportation Aviation Division for Routine Maintenance and Repairs at Greenville Municipal Airport (*Summer Spurlock, City Manager*)

Councilmember Gotcher moved, Councilmember Dean seconded for the enactment of Ordinance 18-034: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, ENTERING INTO A ROUTINE AIRPORT MAINTENANCE PROGRAM GRANT AGREEMENT WITH TEXAS DEPARTMENT OF TRANSPORTATION AVIATION DIVISION FOR ROUTINE MAINTENANCE AND REPAIRS AT GREENVILLE MUNICIPAL AIRPORT "MAJORS FIELD"; PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FULL FORCE IMMEDIATELY UPON ITS PASSAGE AND APPROVAL.** Motion carried by unanimous vote of the City Council.

#### 8. Resolutions

- A. Consideration and action on a resolution approving the 2019 Annual Work Plan for the Greenville Board of Development and the 4A Economic Development Corporation (*Greg Sims, President/CEO Board of Development*)

Councilmember Gotcher moved, Councilmember Money seconded for the adoption of Resolution 18-66: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE 2019 ANNUAL WORK PLAN FOR THE GREENVILLE BOARD OF DEVELOPMENT AND THE 4A ECONOMIC DEVELOPMENT CORPORATION; PROVIDING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

- B. Consideration and action on a resolution approving the Fiscal Year 2018-2019 Budget for the Greenville Board of Development and the Greenville 4A-Economic Development Corporation (*Greg Sims, President/CEO Board of Development*)

Councilmember Ransom moved, Councilmember Dean seconded for the adoption of Resolution 18-67: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE FISCAL YEAR 2018-2019 BUDGET FOR THE GREENVILLE BOARD OF DEVELOPMENT AND THE GREENVILLE 4A ECONOMIC DEVELOPMENT CORPORATION; PROVIDING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

- C. Consideration and action on a resolution relating to the redemption of the “City of Greenville, Texas Electric System Revenue Refunding Bonds, Series 2015” and “City of Greenville, Texas Electric Utility System Revenue Refunding Bonds, Taxable Series 2015”; approving the resolution of the of the Board of Trustees of the Greenville Electric Utility System calling certain outstanding bonds for redemption; and resolving other matters related thereto (*Alicia Price, GEUS General Manager*)

Councilmember Turner moved, Councilmember Ransom seconded for the adoption of Resolution 18-68: **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, RELATING TO THE REDEMPTION OF THE “CITY OF GREENVILLE, TEXAS ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 2015” AND “CITY OF GREENVILLE, TEXAS ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, TAXABLE SERIES 2015”; APPROVING THE RESOLUTION OF THE OF THE BOARD OF TRUSTEES OF THE GREENVILLE ELECTRIC UTILITY SYSTEM CALLING CERTAIN OUTSTANDING BONDS FOR REDEMPTION; AND RESOLVING OTHER MATTERS RELATED THERETO.** Motion carried by unanimous vote of the City Council.

- D. Consideration and action on a resolution requesting the Texas House of Representatives, the Texas State Senate, and the Texas Department of Transportation consider renaming a portion of FM 1570 in honor of Judge John Horn (*City Council*)

Mayor Pro Tem Ransom and Councilmember Evans simultaneously moved, Councilmember Gotcher seconded for the adoption of Resolution 18-69: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, REQUESTING THE TEXAS HOUSE OF REPRESENTATIVES, THE TEXAS STATE SENATE, AND THE TEXAS DEPARTMENT OF TRANSPORTATION CONSIDER RENAMING A PORTION OF FM 1570 IN HONOR OF JUDGE JOHN HORN; SAID NAME TO BE CONSIDERED IS JOHN L. HORN PARKWAY; AND PROVIDING AN EFFECTIVE DATE.** Motion carried by unanimous vote of the City Council.

## 9. Consent Calendar

- A. City Council Meeting Minutes – August 28, 2018
- B. Ordinance approving an annual contract for the purchase of Chlorine (*John Wright, Public Works Director*)

Ordinance 18-035: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, ACCEPTING THE BID AND AWARDING THE ANNUAL CONTRACT FOR THE PURCHASE OF CHLORINE; AND PROVIDING AN EFFECTIVE DATE.**

- C. Ordinance approving an annual contract for the purchase of Polymer (*John Wright, Public Works Director*)

Ordinance 18-036: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, ACCEPTING THE BID AND AWARDING THE ANNUAL CONTRACT FOR POLYMER; AND PROVIDING AN EFFECTIVE DATE.**

- D. Ordinance approving the annual contract for Water and Sewer Supplies for use by the Water Distribution and Wastewater Collection Divisions (*John Wright, Public Works Director*)

**Ordinance 18-037: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENVILLE, TEXAS, APPROVING THE ANNUAL CONTRACT FOR WATER AND SEWER SUPPLIES FOR USE BY THE WATER DISTRIBUTION AND WASTEWATER COLLECTION DIVISIONS; AND PROVIDING AN EFFECTIVE DATE.**

Councilmember Money moved, Councilmember Turner seconded for the adoption of the Consent Calendar. Motion passed by unanimous vote of the City Council.

**10. City Staff/City Council Reports**

No reports.

**11. City Council Discussion/Proposed Agenda Items**

Once the budget process has been completed, Councilmember Gotcher would like to see a review of the Council's goals: what's been done and where the City intends to go.

**12. Board and Commission Minutes**

No minutes.

**13. Executive Session**

The City Council convened into Executive Session at 6:44 p.m. under the following:

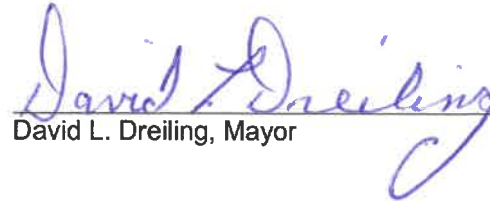
- A. **Section 551.071 (1) & (2)** Consultation with City Attorney on any regular session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items as needed; consultation with City Attorney regarding pending or contemplated litigation, settlement offers, or matters deemed subject to the Code of Professional Responsibility of the State Bar of Texas **Litigation Update**
- B. **Section 551.072** Discussion with respect to the purchase, exchange, lease, or value of real property, when such discussions would have a detrimental effect on negotiating position of the governmental body
- C. **Section 551.087:** (1) Discussion or deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body is conducting development negotiations; (2) Deliberate the offer of a financial or other incentive to a business prospect described by Subdivisions: Projects: TakeAway, Anchor, Peary, Sprocket, Ribbon, Redevelopment-W, D-4, Tealeaf, Panel, Righton, Food.
- D. **Section 551.072:** Discussion with respect to the purchase, lease, or value of real property, when such discussion would have a detrimental effect on negotiating position of the governmental body: Projects: TakeAway, Anchor, Peary, Sprocket, Ribbon, Redevelopment-W, D-4, Tealeaf, Panel, Righton, Food, EDC Properties.
- E.

**14. Take action on any item discussed in Executive Session**

No action taken.

**15. Adjourn**

Upon reconvening into Open Session at 7:12 p.m. and being no further business, the City Council adjourned at 7:12 p.m. by unanimous consent.

  
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David L. Dreiling, Mayor

ATTEST:

  
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Carole V. Kuykendall, City Secretary