

**WHITE OAK CITY COUNCIL  
REGULAR MEETING  
WHITE OAK CITY HALL  
AUGUST 12, 2014  
5:00 P.M.**

**MEMBERS PRESENT** : Mayor Rick May, Mayor Pro-Tem Barbara Ray, Lance Noll, Greg Hulett

**MEMBERS ABSENT** : Kyle Kutch, Jerry Blankenship

**STAFF PRESENT** : Charlie Smith, Sherry Roberts, Billy Morgan, Terry Roach, Randy Dodson, Jason Maxted, Tracey Fears, Debbie Sadler

**CALL TO ORDER**

- A. Invocation
- B. Pledge of Allegiance

Mayor May called the meeting to order at 5:03 p.m. City Coordinator Charlie Smith led the invocation and Mayor May led the Pledge of Allegiance.

**CONSENT AGENDA**

- A. Consider and/or approve payment of bills
- B. Consider and/or approve City Council minutes from July 8 & 24, 2014
- C. Consider and/or approve WOEDCO minutes from June 24, 2014.
- D. Consider and/or approve Interlocal contract for 911 Database Maintenance with ETCOG.

Councilmember Hulett made the motion to approve, seconded by Councilmember Noll. Carried unanimously.

**CITIZEN COMMENTS**

None.

**CONSIDER AND/OR APPROVE** Ordinance 2014-08; Approve a floodplain application permit.

City Coordinator Smith explained to the Council that FEMA has given local governments until September 3, 2014 to approve a Flood Damage Prevention Ordinance. He briefly explained that if a property owner wants to build on a piece of property that is in the flood plain, for home construction safety, certain criteria must be met. The actual Flood Damage Prevention ordinance was not placed on the agenda in error. The permit is to help cover evaluation costs by an engineer when an application is received. The permit application fee in the ordinance is \$250. There will need to be a special called meeting to approve the ordinance by the deadline. This will and has already affected homes for sale in White Oak with new mortgages requiring flood insurance on the home.

Councilmember Noll made the motion to table until the Flood Damage Prevention ordinance can be approved, seconded by Councilmember Hulett. Carried unanimously.

CONSIDER AND/OR APPROVE Resolution 2014-10; Authorize the City to participate as part of the Cities Advocating Reasonable Deregulation ("CARD") in proceedings related to SWEPCO's application to reconcile fuel costs.

City Coordinator Smith explained SWEPCO lost around \$14 million and want to adjust their rates to recoup future rates. Councilmember Hulett mentioned that it is only \$475 for both CARD resolutions.

Mayor Pro-Tem Ray made the motion to approve, seconded by Councilmember Noll. Carried unanimously.

CONSIDER AND/OR APPROVE Resolution 2014-11; Authorize the City's participation in a coalition of similarly situated cities in proceedings before the Railroad Commission of Texas and the Texas Legislature related to the City's authority to effectively review and regulate utility rates.

City Coordinator Smith explained that CenterPoint is regulated by the Texas Railroad Commission (TRRC). CenterPoint would like to remove negotiation power from cities in reference to rate increases and CARD wants to fight this in legislation.

Motion to approve made by Councilmember Hulett, seconded by Mayor Pro-Tem Ray. Carried unanimously.

#### CITY COORDINATOR ITEMS

A. Update on water sources, meters, and plant improvements.

City Coordinator Smith stated there was a preconstruction meeting held with RG3 and the company would start replacing water meters the next morning. Public Works Crew leader Nate Holder will be working with them daily to make sure everything runs smoothly. He advised Council to direct any issues to him. It will take sixty days to change out all meters.

Regarding the water plant improvements - Clarifier #1 is currently under reconstruction and looks good.

There were tests performed on two wells and both looked good but he could not yet provide details. Engineers believe the well in Clarksville City will be a good well.

B. Update on High School Baseball Field Renovation.

Locker room plumbing fixtures have been installed and detail work is continuing. The curb and gutters have been poured and sidewalks are completed.

#### BUDGET WORKSHOP

Mayor May explained both the general fund and water fund budgets must be balanced and Council will have to make tough decisions.

There was in-depth discussion held regarding water and sewer rates. There are many capital projects scheduled that require a rate increase to help cover expenses. White Oak is still below the local and state rate averages for 5,000 gallons of water. Councilmember Hulett questioned City Coordinator Smith about the highest expense which is payroll and if he has thought about consolidating any positions. Mr. Smith replied he had not, but public works recently absorbed a

position and the paid fire chief position was replaced with a volunteer. Mayor May explained there have been some positions consolidated, but it may have to happen again. City Coordinator Smith explained the department heads have already cut out a lot of capital and does not know what else they can cut from their budget. He stated that even if there was \$100,000 transferred from the water fund to the general fund for administration expenses, there will still be a deficit. There just is not \$100,000 from the general fund to cut. Mayor Pro-Tem Ray added that no one knows how often the budget will need to be amended during the fiscal year. Mayor Pro-Tem Hulett stated that continually cutting out capital projects will eventually catch up to us. City Coordinator Smith explained that street work has been put off for three years and vehicle repairs will only last for so long. Councilmember Hulett explained the need to look at the largest expense class and he offered to help if needed. He then made a suggestion to Mayor May about forming a committee to evaluate positions and offered to serve. Mayor May agreed. Councilmember Hulett stated that even if the Council chose the effective rate, this is still considered a tax increase. There needs to be a combination of all of the above to get to a balanced budget. Council agreed to a special workshop on August 27<sup>th</sup>, 2014 at 5:00 p.m.

CONSIDER AND DISCUSS the tax rates needed to fund the 2014/2015 operating budget for maintenance and operations and for debt service.

Council discussed two special meetings for hearings for August 27 and September 22, 2014.

CONSIDER AND/OR TAKE A RECORD VOTE to place for adoption on the September 9, 2014 agenda, a proposed tax rate for 2014, if the proposed tax rate exceeds the effective rate of .53179/100 schedule and announce the dates and times for two public hearings.

Councilmember Hulett made the motion to place the proposed tax rate of \$.53179/100 on the agenda for September 9, 2014 and if the proposed rate exceeds the effective rate, there will be two dates and times announced for public hearings, seconded by Councilmember Noll. Carried unanimously.

#### ADJOURNMENT

Motion to adjourn at 5:57 p.m. made by Councilmember Noll, seconded by Councilmember Hulett. Carried unanimously.



Rick May, Mayor

ATTEST:



Sherry Roberts, TRMC  
City Secretary