



City of Lorena
107-A S. Frontage Road
Lorena, Texas 76655
(254) 857-4641 Fax (254) 857-4118
OFFICIAL MINUTES

**NOTICE OF PUBLIC MEETING & PUBLIC HEARINGS
LORENA CITY COUNCIL
MONDAY, AUGUST 15, 2016 6:30 P.M.
LORENA CITY HALL
107-A S. FRONTAGE ROAD, LORENA, TEXAS**

1. Call to Order.

- a. Pledge of Allegiance
- b. Texas Pledge
- c. Moment of silence

Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

Mayor Roper called the meeting to order at 6:31 p.m. gave the open meeting statement and announced that a quorum of the council was present. Members present were Mayor Chuck Roper, Mayor Protem Bill Coleman, J. Fagner and Jennifer Grimm, Jeff Linnstaedter and Kelly Yarbrough. Constituting a quorum.

City Staff present were City Manager Joseph Pace, Chief of Police Tom Dickson, City Secretary Monica Hendrix, Finance Officer Linda Klump and Public Works Director Kevin Neal and utility worker Matthew Huffhines.

2. Visitor and Citizens Forum

At this time any person with business before the Council not scheduled on the agenda may speak to the Council. Comments are limited to three (3) minutes, and this time is not transferable. No formal action may be taken on any of these items at the meeting. This forum is limited to a total of 30 minutes.

No visitors spoke at this time.

3. Approval of Minutes:

- a. July 18, 2016

Bill Coleman motioned and J. Fagner seconded to approve the minutes as submitted. Jennifer Grimm and Jeff Linnstaedter voted in favor and Kelly Yarbrough voted against the motion. Motion carried.

4. First Public Hearing of the citizens on the 2016 Proposed Tax Rate.

Mayor Roper opened the tax rate hearing at 6:33 p.m.

Gary Cox spoke and feels the TIRZ is a colossal mistake and doesn't think raising taxes is the way to fund it. Cox is concerned about borrowing \$3 million dollars to fund the TIRZ, says council should let a Travel Center and Holiday Inn Express come and collect taxes on them first then spend the money. Cox says council should use caution when proceeding with the TIRZ participation.

Gaylen Barnes spoke, says his appraisal value is too high and that he would need to spend half as much as the appraisal value on the property to get what they have the value set at should he try to sell. Barnes is concerned about the "dirt road" in front of his home and the quality of the water. Barnes feels council

should work on good water and good infrastructure first before spending money on the TIRZ and what he considers non-essential things.

Christine Turpin spoke concerning taxes and increased appraisal values. Turpin understands the reasons for the tax rate increase and the importance of the TIRZ and chloramine projects. Turpin wanted to know what the overall increase is on the taxes with the increase in appraisal values.

The public hearing closed at 6:41 p.m.

5. Public Hearing on the 2016-2017 Proposed Fiscal Year Budget.

Mayor Roper opened the budget public hearing at 6:41 p.m. No citizens spoke. The budget public hearing closed at 6:41 p.m.

6. Discussion and possible action for the appointment and re-appointment of Planning and Zoning Commission board members.

City Secretary Monica Hendrix informed council that Don Bagby, Jeb Clemons, Sylvia Lemley, Bobby Meador, Jamie Montgomery and Gary Payne have all agreed to be re-appointed and that Austin Montgomery has agreed to serve on the zoning commission. J. Fagner motioned to appoint the six existing members and accept the application and appoint new member Austin Montgomery to the Planning and Zoning Commission. Jeff Linnstaedter seconded the motion. Kelly Yarbrough questioned the requirement of where a member must live and was told inside the city limits or ETJ of Lorena. All in favor, motion carried.

7. Discussion and possible action on water and sewer rates.

City Manager Joseph Pace informed council of the numbers from WMARSS for the upcoming fiscal year budget and the huge 64% increase. After reviewing the numbers, Pace and Public Works Director Kevin Neal contacted WMARSS to question the numbers and amount of sewer that was calculated (pumped) for the City of Lorena. Neal informed WMARSS of the daily readings his crew takes and once these readings were re-calculated the City of Lorena's portion was drastically decreased. Finance Officer Linda Klump informed council that once the numbers were adjusted, there will be an increase in water rates of 4.25% across the board, including the base rates and volumetric rates. This includes residential and commercial accounts inside and outside the city limits. This increase will cover the Chloramine project. Jennifer Grimm questioned why these projects aren't funded by the Capital Improvement Project Fund. Joseph Pace and Linda Klump explained. After lengthy discussion on the process and requirements of the city as a participant of the Waco Metropolitan Area Regional Sewer System (WMARSS), a motion was made by Jennifer Grimm to proceed with preparing an ordinance for the September meeting to increase the water rates 4.25%. J. Fagner seconded the motion. All in favor, motion carried.

8. Discussion and possible action on the City Council to agree to issue \$2,975,000 in certificates of obligation and enter the Development Financing Agreement by and among the City of Lorena and the Lorena Tax Increment of Lorena TIRZ #1 East Sanitary Sewer Line.

Mayor Chuck Roper spoke and stated this project started in 2013. Roper explained the TIRZ area is farmland and will remain farmland without infrastructure in place. City Manager Joseph Pace informed council this TIRZ is unique in that landowners are buying-in to help the project move forward. Pace says that the City Attorney and Financial Advisor have reviewed the documents and say the only change is the issuance date due to publication requirements. Council discussed the importance of moving forward with the TIRZ and how Lorena will remain stagnant without new infrastructure. There was discussion about a new public works building and council does not want to include this project in the bond issuance. Jennifer Grimm stressed that leftover street bond money should be spent on unpaved streets before new bonds are issued for other projects. Kelly Yarbrough spoke and having served on the Economic Development Corporation for years and seen the amount of developers that have passed up Lorena due to no infrastructure stressed the importance of this TIRZ to create new development.

J. Fagner gave his thoughts and knows the importance of the TIRZ as well.

After discussion, a motion was made by Kelly Yarbrough to enter into the Development Financing Agreement by and among the City of Lorena and the Lorena Tax Increment of Lorena TIRZ #1 East

Sanitary Sewer Line and move forward with the certificates of obligation bonds in the amount of \$2,975,000.00. Yarbrough amended the motion for the amount of \$2,905,000.00 and omit the public works building and the noted change of date in the agreement. J. Fagner seconded the motion. All in favor, motion carried.

9. Discussion and possible action authorizing the City Manager to enter into an agreement with Matous Construction to perform the chloramine improvements for the City's water distribution system.

Thomas Valle with KPA Engineering spoke and has made revision to the agreement based on the recommendation from City Attorney Barney Knight. The revision was on the date from 60 days to 120 days for bid amount. Bill Coleman motioned to authorize the City Manager to enter into an agreement with Matous Construction to perform the chloramine improvements for the City's water distribution system. J. Fagner seconded the motion. All in favor, motion carried.

10. Police Department Activity Report.

Chief Dickson reported the department is preparing for the start of school next week, reviewing the PD general directives manual and that the Body Cameras are in use and working great. Dickson also reported that speed limits have increased and with the increase there is more damage to vehicles involved in accidents.

11. Public Works Report.

a. Chloramine update

Kevin Neal reported another violation letter will be sent out at the end of the month.

12. City Manager Report.

a. TIRZ update

Discussed earlier.

b. Developers meetings

There are developers that come in and ask questions about areas available for development.

c. Property appraisal update

Had property appraised next to City Hall for up to \$99,000.00.

d. Update on STAG grant

Met with Texas Water Development Board and has paper work updated.

e. TxDot ribbon cutting

Ribbon cutting for TxDOT completion will be on August 18th at 9:30 a.m.

13. Executive session pursuant to Texas Government Code § 551.074 discussion of City Manager's contract.

Council convened into executive session at 8:42 p.m.

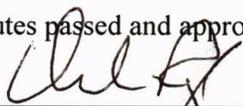
14. Reconvene and consider action on items discussed during Executive Session.

Council reconvened into regular session at 8:51 p.m.

15. Adjourn.

Due to no further business the meeting adjourned at 9:13 p.m.

Minutes passed and approved this 19th day of September 2016.



Chuck Roper, Mayor

Attest:



Monica Hendrix, City Secretary

