

CITY OF OVILLA MINUTES

Thursday, August 03, 2017

Special City Council Meeting and Budget Workshop

105 S. Cockrell Hill Road, Ovilla, TX 75154

In the absence of Mayor Dormier, Mayor Pro Tem Griffin called the Special Council Meeting of the Ovilla City Council to order at 5:33 p.m., with notice of the meeting duly posted. Mayor Pro Tem Griffin made the following public announcement asking all individuals to be cognizant of the two signs at the entrance to the Council Chamber room referencing Sections 30.06 and 30.07 of the *Penal Code, persons licensed under Subchapter H, Chapter 411, Government Code may not enter this property with a concealed handgun nor enter this property with a handgun that is carried openly.*

The following City Council Members were present:

Rachel Huber	Council Member, Place 1
Dean Oberg	Council Member, Place 2 (arrived at 5:49 pm)
David Griffin	Mayor Pro Tem, Place 3
Michael Myers	Council Member, Place 5
Doug Hunt	Council Member, Place 4

Mayor Pro Tem Griffin announced all present Council members, thus constituting a quorum. City Manager John R. Dean, Jr., department directors and various staff were also present.

CALL TO ORDER

PL5 Myers gave the Invocation. PL1 Huber led the recitation of the U.S. Pledge of Allegiance and PL4 Hunt led the recitation of the Texas Pledge.

REGULAR AGENDA

ITEM 1. *DISCUSSION/ACTION* – Consideration of and action on Resolution R2017-19, to award the Red Oak Creek 12" Water Line Contract Agreement, authorizing the Mayor to execute said project agreement documents.

The City entered into an agreement for engineering services with Birkhoff, Hendricks and Carter, LLP to complete construction plans and specifications for the Red Oak Creek 12-inch Water Line Project. Staff shared the tabulation of bids and the "vendor recommendation" provided in a letter from the City's engineering firm. FM Utilities submitted the low base bid and the recent budget amendment of \$40,000 approved was based on that bid amount.

PL4 Hunt moved that Council approve Resolution R2017-19, awarding the Red Oak Creek 12" Water Line Contract Agreement to FM Utilities, and authorize the Mayor to execute said project agreement documents, seconded by PL1 Huber.

No oppositions, no abstentions.

VOTE: The motion to approve carried unanimously: 4-0. (PL2 Oberg had not yet arrived)

ITEM 2. *DISCUSSION/ACTION* – Review of the proposed Fiscal Year 2017-2018 Budget, discuss the preliminary determination of the tax rate, and direct staff as necessary.

City Manager John Dean opened discussion with Council explaining that with the proposed tax rate of 0.680399, the expenditures still exceeded the projected revenue. However, the City's total fund balance was over 2 million and the operating fund balance was more than adequate, therefore, Ovilla was in good financial standing. In year's past, collections exceeded expenditures, which explained the sizable fund balance. An option was to either remove some of the proposed expenditures or reduce the fund balance, or a combination of both seemed to be the best option.

Suggestions for adjusting the expenditures:

- Administration
 - Remove laptop purchase
 - Remove bathroom upgrades in city hall
 - Remove the tech security software
- Municipal Court
 - Remove InCode software upgrade
- Public Works
 - Repair old backhoe – no new purchase
- Leave employee merit increase at 3%

Take the remaining funding needed from administrative reserves.

PL1 Huber moved that Council direct staff to move forward with the noted suggested revisions, seconded by PL2 Oberg.

No oppositions, no abstentions.

VOTE: The motion to approve carried unanimously: 5-0.

ITEM 3. DISCUSSION/ACTION – Consideration of and action on a proposed tax rate for the Fiscal Year 2017-2018 Budget and take a record vote.

City Manager John Dean advised that the presented proposed budget was based on the proposed tax rate of 0.680399. Staff presented Council with the following:

If Council proposes the Effective Tax Rate, (0.575531) Ad Valorem Revenue will decrease by \$228,533, as compared to prior year at \$0.7000.

If Council proposes the Rollback Rate, (0.680400) Ad Valorem Revenue will increase by \$131,491, as compared to current rate of \$0.7000.

If Council proposes the Proposed Rate, (0.680399) Ad Valorem Revenue will increase by \$131,488, as compared to current rate of \$0.7000.

PL4 Hunt moved that the Council hereby propose the 2017 Rate of (0.680399) with the Maintenance and Operation rate of 0.512399 and a debt rate of 0.1680, seconded by PL2 Oberg.

A Record Vote of the Council followed:

PL1 Huber	Aye
PL2 Oberg	Aye
PL3 Griffin	Aye
PL4 Hunt	Aye
PL5 Myers	Nay

PL5 Myers opposed the motion, no abstentions.

VOTE: The motion to approve carried 4 in favor, 1 opposed.

ITEM 4. DISCUSSION/ACTION – Consider and schedule dates for two public hearings on the proposed Tax Rate for Fiscal Year 2017-2018.

Section 26.05 of the Tax Code requires that the governing body hold two public hearings, if the entity is proposing a tax increase or proposal to increase total tax revenue.

PL1 Huber moved that Council schedule the listed dates and times for two Public Hearings on the Proposed Tax Rate for Fiscal Year 2017-2018 and direct staff to follow Tax Code Laws accordingly for Notice Requirements:

*Richard Dormier, Mayor
Rachel Huber, Place One
Dean Oberg, Place Two*

*Doug Hunt, Place Four
David Griffin, Place Three
Michael Myers, Place Five*

The First Public Hearing will be held on Monday, August 21 at 5:30 p.m. at the Ovilla City Hall Council Chamber Room. The Second Public Hearing will be held on Wednesday, August 30 at 5:30 p.m. at the Ovilla City Hall Council Chamber Room. Motion seconded by PL2 Oberg.

No oppositions, no abstentions.

VOTE: The motion to approve carried unanimously: 5-0.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, Mayor Pro Tem Griffin adjourned the meeting at 7:20 p.m.

ATTEST:


Pamela Woodall, City Secretary





Mayor Pro Tem Griffin

Approved August 14, 2017