

CARL HARBERT <i>Council Member, Place 1</i>	DAVID RUTLEDGE <i>Mayor</i> 	ERIC ANDRUS <i>Council Member, Place 4</i>
KIRK ROCCAFORTE <i>Council Member, Place 2</i>		TERRI GAUTHIER <i>Council Member, Place 5</i>
TAMMI FISETTE <i>Mayor Pro-Tem / Council Member, Place 3</i>		LUCY FIELDS <i>Council Member, Place 6</i>

CITY COUNCIL SPECIAL MEETING MINUTES
CITY OF BRIDGE CITY
Wednesday, July 26, 2017

The City Council of Bridge City met in a special meeting on Wednesday, July 26, 2017, at the City Hall of Bridge City, 260 Rachal, Bridge City, Texas.

1. CALL TO ORDER

Mayor David Rutledge opened the City Council special meeting at 6:03 p.m.

CITY COUNCIL PRESENT:

Mayor David Rutledge
Council Member Carl Harbert
Council Member Kirk Roccaforte
Mayor Pro-Tem Tammi Fisette
Council Member Eric Andrus
Council Member Terri Gauthier
Council Member Lucy Fields

CITY STAFF PRESENT:

City Manager Jerry D. Jones
City Secretary Sherry Tisdale
Finance Director Karen Morgan
Personnel/Purchasing Director Jeanie McDowell
Police Chief Paul T. Davis

2. WORKSHOP

(a) Discussion of the City of Bridge City 2017 - 2018 Fiscal Year Budget
(May be viewed at City Hall)

Mr. Jones stated that the City did get the tax numbers in and would let Ms. Morgan explain it.

Ms. Morgan said she received the certified values from the Appraisal District today. Tax Assessor-Collector Karen Fisher has not had a chance to make the tax rate calculation yet, so this hand-out is based on her calculation (*Attachment No. 1*). She said this should be very close. The tax valuations went from \$380,000,000 down to \$348,000,000. She said the first proposed budget was based on the \$380,000,000 figure so the tax rate went down. However, with the valuation going down to \$348,000,000 the tax rate has to go up. Ms. Morgan stated that she is

proposing to keep the same tax rate (\$0.52000/100) as before instead of going any higher. It brings in about \$20,000 less but she doesn't think they need to change any of the budget numbers (presented to Council at 7/25/17 Special Council Meeting - May be viewed at City Hall). She said she feels like the budget numbers are conservative enough that it will be fine.

Mr. Jones said he doesn't think anything in the budget needs to be changed if Council adopts the same rate as last year. He said the City can absorb the difference through the year. This rate would be \$122,205 instead of \$146,580.

Mayor Rutledge asked what was the total valuation for last year. Ms. Morgan stated that it was \$326,000,000 in 2016 and \$313,000,000 in 2015.

Mr. Jones said every year new businesses come in and the numbers climb. He said he's never seen the numbers come in that the numbers were missed that much. He said this is way out of line. The numbers went from \$380,000,000 to \$348,000,000. He said by staying at the same rate they can report they did not increase taxes.

Council Member Harbert said that Mr. Jones challenged Council to look into the future and saving money. He asked how long has the City been without a Public Works Director. Mr. Jones said five or six months. Council Member Harbert asked if this has affected the way the City does business. Mr. Jones said it has increased his workload substantially. He said he did this because he was wanting to try to save \$50,000 or so to put in the reserves account. Council Member Harbert suggested dividing the job duties up between the four superintendents of water and street. There are four superintendents with roughly \$120,000 salaries. If they give those four men a \$15,000 raise to take on the extra job duties, it would still save the City \$60,000. He said he doesn't know if it's feasible.

Mr. Jones said there is nobody the City has that is capable of being the Public Works Director at this time. Mr. Jones said they could probably work somebody into this as long as he is here. If there is a new City Manager, it won't work. He will expect them to know what they are doing and not to lean on him to do their job. Mr. Jones said as long as he is here the City will be okay. The job duties the Public Works Director has are more construction jobs in the field, handling day-to-day stuff, and working with the guys. He said he is doing that because the construction end of what the City is doing is going down. He mentioned he is used to working with all of it anyway so it really doesn't bother him. He said he could probably do it for a year or so, but when he got ready to go, the City would have to hire a Public Works Director. He stated he hasn't hired one because he wanted to see how much money the City could save and put in the reserves because he can handle it. It's just a matter of him putting in more time and more hours. It's not a big deal. He said he does it all the time and has been doing it ever since he started working for cities. Mr. Jones stated that the difference is most of the city managers nowadays are people that came out of college a few years ago and have no knowledge of what goes on out in the field. They have no knowledge of public works and come into the job with knowledge of numbers.

Council Member Fields said they don't want to get to the point when Mr. Jones gets ready to retire that the City has to hire two people, not one.

Mr. Jones said the biggest things that are going to hit the City are I & I (infiltration in the sewer lines) and the Sewer Plant. Normal maintenance and operating of the system is not a problem. The I & I is really going to be a big issue. TCEQ is really hammering down on this.

Council Member Harbert said he was just looking at a way to put more money in the budget. He said he didn't want to put too much on Mr. Jones because it would wear him out quick. Mr. Jones said he can handle it. He said, at some point, there are not enough hours to go around. He said he would not have a problem going for a year without a Public Works Director trying to build the reserves. He said it was up to Council to make this decision, but he thinks it would create a problem to split the job duties and pay to go to the superintendents.

Council Member Fields asked Mr. Jones what his initial thoughts were about hiring a Public Works Director. Mr. Jones replied, after the budget year. Council Member Fields asked "After October 1st". Mr. Jones replied yes.

Discussion continued on the Public Works position.

Mayor Pro-Tem Fissette asked, if something should happen to Mr. Jones, would the Public Works Director be the one that steps in and fills the city manager's spot. Mr. Jones answered most of the time - depending on his knowledge.

At the conclusion of discussion, Mr. Jones said he didn't mind looking at the possibility of not hiring somebody until next year. Council Member Harbert said he just didn't want to put an extra burden on Mr. Jones. Mr. Jones said if he got to the point to where he couldn't handle it he would let Council know.

- **Tab A - Utility Fund - Water - Overtime: \$17,000**

- Council Member Harbert asked if there is enough money in the budget for overtime. He said that seems light to him. The town is growing and there are more water meters and there were also busted water mains last year. Mr. Jones said this is one of those things that's hard to estimate. The reason there is so much overtime now is because they are flushing lines. He said he's hoping, by the end, that most of this will be done. If the account does go over, he said they will figure out a way to work with it. There are contingency funds in both budgets. Council Member Harbert said he just didn't want to see the City come up short when it could be adjusted now. Mayor Rutledge said if you look at the last two years budgets, this is reasonably close. Mr. Jones said it is a guess, but there are contingency funds to make up for this.

- **Tab T - Capital Projects and Grant Funds - Proposed 2015 Bond Projects**

- Water Filtration System Project
Council Member Harbert asked if the water filter project is complete. Mr. Jones replied no, it's not. He reported that the third filter has no media in it, some of

the controls have not been put in, and nothing has been calibrated. Mr. Jones said he received a letter from TCEQ stating that they are not going to approve it until the City fills out a request for exception because the concrete behind that lining was not "pressure put in". Basically, they are saying when the City re-lined the well - and they understand that it's all good now - but nothing was done behind it. The City will have to fill out an exception saying they didn't do that. This will be a while, so this project is not finished and probably won't be finished in this budget year. This money is set aside in a separate fund so it will be okay.

➤ Old Police Station

Council Member Fields asked when the old Police Station was going to go on the market. Mr. Jones said all the cameras are out and they are doing some work in the walls. He said it would probably be next month - probably the middle of August.

Council Member Fields asked if there has been any interest. Mr. Jones said he's had a lot of people that were interested but he doesn't know how much interest that is. Mr. Jones said he would see when it goes on the market how many people are really interested.

Council Member Fields asked if he was going to get a realtor. Mr. Jones said he was going to do it himself because he couldn't afford a realtor. He added that Mr. Fukuda said he would do all the closing documents so the City won't have to hire somebody to do this.

➤ New Police Station

Council Member Harbert asked what the hold-up was on the new Police Station. Ms. Morgan replied that there are a couple of invoices that are not paid yet. Mr. Jones said it is complete to his knowledge. He said there were a couple of things that just finished this week. They had to re-route some wiring for the Judge and some other things were done in Court. He also said they need a ton of dirt to be hauled in but it will be done "in-house". The City is keeping dirt at the old school site on Jones. As the City has time during the year, they will take the dirt and start filling in and leveling along the road so it won't start breaking off.

Mayor Rutledge asked if all the security stuff was in Court and the Police Station. Mr. Jones said, as far as he knows, everything is in. Mr. Jones asked if anyone knew anything that wasn't in. Ms. McDowell said the cameras are not in. Mr. Jones said they are using the cameras from the old police department and Mike Zeto will be putting them. He stated there is not a lot of cost involved - the wiring is already done.

Mayor Pro-Tem Fisetto asked about car allowances - how does it work? Mr. Jones stated that the City can either buy you a car and give it to you or they can pay you an allowance and you

can buy insurance, put gas in it, and you buy the car. In most cities - City Managers and Public Works Directors, different people, etc. - the City would rather give a car allowance because it costs less money for you to get a car allowance than it does for the City to buy a car, and put the gas, the maintenance and the tires and all that you do. Mr. Jones said he is losing money on his car, but he gets a car allowance. He said he is okay with that because he doesn't really want a car because he uses his all the time. He said he doesn't want to have two cars to fool with. Normally, he has a car allowance, Chief Davis has a car allowance, and the Public Works Director has a car allowance. He said they have to agree to do it and they know that it won't cover the costs. Most cities do this.

Mayor Pro-Tem Fisetto asked Mr. Jones, when they go on these trips, if you get a car allowance are you also allowed to claim mileage. Mr. Jones replied anything past 50 miles he can turn in mileage. He said if he's going to Beaumont, Orange, or Houston he wouldn't claim mileage. But if he goes to Austin or San Antonio, he would turn in mileage. He said most cities do the same thing.

Mayor Pro-Tem Fisetto asked Mr. Jones, "If I, as a council man, did I miss something - is there something that I should've caught that I didn't catch?" She said the overall funding and whenever they ended up at Keri's office (Keri Michutka, City Auditor) and Ms. Michutka's expressing concerns - is there something that we, as council members, did we miss or caught something that put us in the financial situation the City was in. Mr. Jones answered, "If you could have prevented the storm, then you could've helped me. But if you couldn't have prevented the storm, then you couldn't help me." Mr. Jones said that the fact that the reserves are low and was mentioned in the audit has really nothing to do with the City's operating expenses and operating monies. He said the City was never in any trouble at all. Mayor Pro-Tem Fisetto asked, "So it's just the money we thought we were getting and didn't get?" Mr. Jones replied, that's exactly right. Council Member Roccaforte added that it was actually money the City received and they took back. Mr. Jones said the operating account is solid and the City has the money, and everything is budgeted.

Discussion was held on HOT (Hotel Occupancy Tax) funds.

Council Member Harbert thanked Mr. Jones and staff for the hard work. Mr. Jones said he had a meeting with staff and asked them all to bring a budget with no additions and no capital, and that's what they did.

Mr. Jones also explained that there is a problem with Ms. Morgan not having the certified numbers yet. The deadline is July 31, but there is a council meeting on August 1 requiring the agenda to be posted on Friday, July 28. Ms. Morgan won't be able to have the numbers ready so he is asking Council if they would agree and be fine with moving ahead with it like it is. Mayor Rutledge asked if anyone had an issue with that and there was none.

Mr. Jones said he hoped he explained it well enough for them to understand what is in there.

3. ADJOURN

Mayor Rutledge adjourned the special meeting at 7:00 p.m.

/s/ David Rutledge

David Rutledge, Mayor

ATTEST:

/s/ Sherry Tisdale

Sherry Tisdale, City Secretary