KENNEDALE
You're Here, Your Home
www.cityofkennedale.com

KENNEDALE CITY COUNCIL MINUTES

SPECIAL MEETING | March 5, 2018
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION - 6:30 PM | REGULAR SESSION - 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 6:34 p.m.

II. WORK SESSION

A. Discuss and provide staff direction regarding the Fiscal YTD 2018 Budget Analysis and potential amendments to the FY2018 Adopted Budget

Finance Director Brady Olsen provided an overview of the fund accounting system that the City of Kennedale's budget is based on, with related revenue and expenses grouped. He added that budget amendments were typically done when revenue or expenditures do not match projections, offering the revenue example of the FY18 Budget including the assumption of the $0.50 increase in Stormwater Drainage Fees, which was not approved by Council; and the expenditure examples of unexpected legal fees and staff turnover.

Mayor Pro Tem Joplin stated that she felt a pay increase for the Fire Department was needed and that she would propose a budget amendment for that purpose in an attempt to solve the staffing problems. City Manager George Campbell noted that the preliminary results of the salary and climate survey that he was assessing for both Police and Fire showed that the salary disparity (in comparison to "market value") was actually greater in the Police Department (which has not suffered nearly as many staffing issues) than in the Fire Department, indicating that salary adjustments alone might not remedy the turnover issue, and further information was needed before making those decisions.

Public Works Director Larry Ledbetter answered questions regarding the reductions that staff continues to make in I&I (Inflow and Infiltration) in the wastewater system, and how that reduces treatment costs. He also discussed the proposed 44th Annual CDBG Project, involving replacing the sewer line on Danny Drive, and stated that it would be presented to Council at their next meeting, but that the funding would be in the FY19 budget.

Olsen provided a summary of current fund balances and stated that there were no departments that were clear outliers regarding spending projections, but that the water and sewer fund had spent a higher percentage than at this point last FY. He added that responses to Mayor Pro Tem Joplin's suggestions were in the packet in memo form. Joplin stated that she felt there were several items included in the Adopted Budget that should not be purchased. City Manager Campbell stated that staff could simply take direction from Council on those smaller items rather than formally amending the budget. He added that the fund overspending triggers an amendment; and if transfers need to be made between funds, that Council action would be required. Councilmember Gilley stated that his focus was to avoid a deficit budget year.

Council directed staff to add discussion of the proposed issuance of the ~$4 Million Certificate of Obligation and the related projects to a future agenda.

Councilmember Gilley stated his desire to see Economic Development Corporation (EDC) financial and activity reports as standing items on upcoming City Council agendas.

After some discussion of travel spending, Mayor Johnson noted that he had noted the Council's will to cut travel costs, but still felt NLC was an important resource, and would be spending his own money to attend this year. Olson took the opportunity to applaud Department Heads for their focused efforts on cutting costs in this budget cycle.

B. Discuss and provide staff direction regarding revenues and expenses of the Water Fund for FY2018 and potential amendments to the Water and Wastewater Rate Schedules

Finance Director Brady Olsen stated that he had contacted the Public Utility Commission (PUC) to receive a free rate study through the TRWA (Texas Rural Water Association), and that after receiving that report, staff would have better information to provide projections on rate adjustments' potential effects on the Water and Sewer Fund.

III. REGULAR SESSION

Mayor Johnson opened the regular session at 7:38 p.m.

IV. ROLL CALL

Present: Mayor Johnson; Mayor Pro Tem Joplin, Place 5; Rockie Gilley, Place 1; Sandra Lee, Place 3; and Kelly Turner, Place 4. **Absent:** Liz Carrington, Place 2

Staff: *City Manager George Campbell, City Secretary and Communications Coordinator Leslie Galloway, Finance Director Brady Olsen, HR/EDC Director Danielle Clarke, Fire Chief Mike McMurray, Police Chief Tommy Williams, Police Captain Darrell Hull, and Public Works Director Larry Ledbetter, City Attorney Wayne Olson*

V. DECISION ITEMS

A. Consider adoption of Resolution 519, adopting a policy for the calling of Special Meetings of the City Council and for the placement of items on the Council's Regular Agenda

Council directed City Attorney Wayne Olson to revise Resolution 519 to reflect tonight's discussion.

Motion To Postpone consideration of Resolution 519 to the March 19, 2018 Regular Meeting. **Motion passed Unanimously**

B. Consider adoption of Resolution 520, adopting an amended City of Kennedale Purchasing Policy

Finance Director Brady Olson stated that the City had maintained a purchasing policy since 2005, and the current City Manager cap was set at the state-prescribed maximum of

$50,000, but that Mayor Pro Tem Joplin had proposed a limit of $10,000 instead. Olsen added that he would recommend adopting the current Purchasing Policy, unchanged, noting that the Cities of Burleson and Crowley do offer a lower limit of $25,000, but that he was not aware of a comparable city with a limit as low as $10,000. After some discussion, Council agreed to amend the Purchasing Policy (Appendix A) to limit the amount the City Manager could authorize spending without City Council approval to $25,000.

Motion To Approve adoption of Resolution 520, adopting an amended City of Kennedale Purchasing Policy, reducing the City Manager's purchasing limit to $25,000 in the matrix shown in Appendix A of the policy. **Action** Approve, **Moved By** Jan Joplin, **Seconded By** Rockie Gilley. **Motion passed Unanimously**

VI. EXECUTIVE SESSION

Council did not meet in Executive Session.

VII. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

VIII. ADJOURNMENT

Motion To Adjourn. **Action** Adjourn, **Moved By** Jan Joplin, **Seconded By** Sandra Lee. **Motion passed Unanimously**

Mayor Johnson adjourned the meeting at 8:05 p.m.

APPROVED:

BRIAN JOHNSON, MAYOR

ATTEST:

Leslie Galloway

LESLIE GALLOWAY, CITY SECRETARY

CITY OF KENNEDALE ★ SEAL ★ TARRANT COUNTY, TEXAS