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KENNEDALE CITY COUNCIL MINUTES

REGULAR MEETING | March 19, 2018
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION - 5:30 PM | REGULAR SESSION - 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:30 p.m.

II. WORK SESSION

A. Presentation of the FY2017 annual audit – Comprehensive Annual Financial Report (CAFR)

Paula Lowe, a partner in the Governmental Audit Division at Pattillo, Brown & Hill outlined the external audit process, the results of the audit, and some of the financial highlights of the CAFR. She stated, that the City continues to receive a clean/unmodified opinion – the highest opinion, and that the accompanying financial statements were audited in accordance with both governmental and generally accepted auditing standards. She added that the General Fund, when looking at the snapshot as of September 30, 2017, had approximately four months of operating expenses in reserve – in keeping with industry best practices (of three months). She stated that this was the first year that the Stormwater Drainage Fund was presented separately from the Water Fund, and that, beginning on page 56, there was ten-year trend information. She concluded by stating that staff was able to answer all questions asked by the auditors and made requested information available.

In response to Councilmember Sandra Lee's question, Lowe stated that the auditors go line-by-line to ensure that bank reconciliations balance and that expenditure classifications are properly applied. Councilmember Rockie Gilley requested that Finance Director Brady Olsen (who was not present at the meeting) provide Council with further explanation of the $500,000 adjustment to the Stormwater balance, noted in the staff report as resulting from an accounting adjustment in which Construction in Progress assets would no longer be included in the carry-over balance. In response to Mayor Pro Tem Jan Joplin question about the Unassigned Fund Balance, Lowe responded that those funds were available to be spent at Council's discretion.

B. Discussion of seeking an RFP to conduct another Comprehensive Audit of all City Funds

Councilmember Sandra Lee stated that she was, in fact, proposing a forensic audit because she had concerns about the figures in the EDC's reports to the State Comptroller not matching the numbers in the EDC audit. City Manager George Campbell stated that the Comptroller numbers were typically submitted by the Finance Director, and that he would like for staff to have time to understand Council's concerns and to research the situation before engaging a firm for additional auditing. Mayor Pro Tem Joplin proposed that this item be carried forward to the Work Session of the April Regular Meeting for further discussion.

C. Discussion of proposed capital improvement projects and related Certificate of Obligation (CO) issuance

City Manager George Campbell stated that the projects listed in the staff report are those that were presented during FY18 Budget discussions. He added that this debt had not yet been issued and, therefore, none of the related projects had been undertaken. He asked for Council's direction on issuance of the debt, noting that it might be premature to begin some of the listed projects, in light of the ongoing discussions with the City of Arlington regarding the water and wastewater system. He also noted that, during budget discussions, he sensed hesitance on the part of Council to issue this debt, but that it was his understanding that any project begun during the next three fiscal years could be financed with this CO. There was some discussion about processes for informing residents about the potential bond issuance as well as the timing of projects, including the repair or replacement of wastewater lines. City Manager Campbell stated that staff would prepare and present an updated project list.

D. Discuss scheduling of monthly City Council Regular Meetings and Work Sessions

Mayor Brian Johnson stated that there had been some discussion about moving Regular Meetings to Thursdays, while still receiving the packet on Friday, giving Council more time to evaluate the packet and submit questions to staff. Councilmember Turner suggested that Council wait until after the May election to make this decision, as there would be new Councilmembers. Mayor Pro Tem Joplin asked if paper copies of the packet could be delivered by Police officers. City Manager Campbell noted that part of the intention of budgeting for iPads was to try to move towards a paperless operation. Council came to a consensus to postpone any decision on this item until new Councilmembers were seated, and City Manager Campbell requested that Council try to submit questions to staff beforehand so that department heads could be more fully prepared to answer questions.

E. Discussion of potential amendments to the Economic Development Corporation (EDC) Bylaws

Councilmember Lee stated that she believed that Councilmembers should be allowed to attend EDC Executive Sessions, but that such requests has been denied by EDC Board President Robert Mundy. City Manager Campbell stated that he understood the City Attorney's opinion to be that members of Council could attend advisory board Executive Sessions but that, for practical reasons, it was not a standard or recommended practice. Councilmember Lee then requested that the EDC have a separate bank account. City Manager Campbell stated that, internally, each fund was accounted for separately, despite the monies being in a consolidated external bank account. He added that he could bring back to Council, at a future date, information about the implications – financial and otherwise – of establishing a separate external bank account for the EDC.

F. Discussion of request to pay invoice for outside legal counsel engaged by Mayor Pro Tem Joplin

Mayor Pro Tem Joplin stated that the Charter affords the City Council the latitude to seek outside counsel, and that she was presenting for payment an invoice in the amount of

$3,289.36 from attorney Kelly Jones. She distributed to those at the dais a timeline of recent attempts by herself and Councilmembers Gilley and Lee to call a special meeting, which led her to seek this additional legal opinion. Mayor Johnson stated that he felt Mayor Pro Tem Joplin had misinterpreted the Charter, which allowed the City Council as a body to engage outside counsel, but did not give individual Councilmembers that right. After some discussion, Mayor Pro Tem Joplin stated that she would absorb the cost personally and was pleased that Council was considering adoption of a formal policy for requesting that items be added to the agenda and scheduling special sessions.

G. Discussion of items on Regular Session

There was no discussion at this time. Council recessed at 6:55 p.m., until the Regular Session.

III. REGULAR SESSION

Mayor Brian Johnson called the Regular Session to order at 7:07 p.m.

IV. ROLL CALL

Present: Mayor Johnson; Mayor Pro Tem Joplin, Place 5; Rockie Gilley, Place 1; Liz Carrington, Place 2; Sandra Lee, Place 3; and Kelly Turner, Place 4. **Absent:** None

Staff: *City Manager George Campbell, City Secretary and Communications Coordinator Leslie Galloway, Deputy City Secretary Kathryn Roberson, Fire Chief Mike McMurray, Police Chief Tommy Williams, Police Captain Darrell Hull, Public Works Superintendent Larry Hoover, Library Director Amanda King, City Attorney Drew Larkin (TOASE)*

V. INVOCATION

Mayor Pro Tem Jan Joplin delivered the invocation.

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

VII. VISITOR/CITIZENS FORUM

Loree Boyd, 321 W 3rd Street, stated that she understood that money had been donated to repair the fountain in TownCenter Park, but it had not yet been completed. City Manager Campbell responded that his understanding was that the parts were ordered, that a local contractor had offered his labor at no cost, and the work should be completed in April.

Joel Box, 1222 Peggy Lane, stated that due to a lack of curbs, gutters, and storm drains, his neighborhood had drainage problems and asked that the situation be evaluated by staff.

Modesso Shaikh, 800 Shady Bend Drive, stated that she was disturbed that Eric Elam had posted a photo of her husband and their home on social media claiming that the City had assisted them in an improper manner during a property line dispute.

A. Presentation by One Safe Place

Felipe Gutierrez, Director of Development and Engagement, stated that One Safe Place aims to prevent crime through their support of Crime Stoppers, the Family Justice Center Model, and City of Fort Worth bike patrol. He thanked the City for supporting efforts to send youth who have witnessed domestic violence to Camp Hope. He added that Mayor Brian Johnson and Burleson Mayor Ken Shetter raised nearly $10,000 for this purpose, and recognized Mayor Johnson and Councilmember Sandra Lee for their personal contributions.

VIII. REPORTS/ANNOUNCEMENTS

A. Updates from the City Council

- **Councilmember Rockie Gilley** stated that he attended a Brookstone HOA meeting.
- **Councilmember Sandra Lee** stated that, as a member of the board of the McDonald Southeast YMCA, she was working on securing summer transportation for economically disadvantaged youth.
- **Mayor Pro Tem Jan Joplin** stated that she attended the grand opening of a shipping container warehouse company; and she appreciated the Parks Department having added the neighborhood park by the Fire Station to their maintenance route.
- **Councilmember Kelly Turner** stated that he attended a Regional Emergency Preparedness Advisory Council (REPAC) meeting, where reports from fire and police responses and that there would soon be more money and agents in the region to address these events.

B. Updates from the City Manager

City Manager George Campbell introduced new employees Human Resources and EDC Manager Danielle Clarke and Deputy City Secretary Kathryn Roberson.

C. Updates from the Mayor

Mayor Johnson stated that he attended a Tarrant Regional Transportation Council (TRTC) meeting, including discussion of high speed rail and eminent domain issues. He added that he is now on a committee with the Mayor's Council to evaluate regional transportation and that he met with the Trinity Metro (formerly The T) to discuss the possibility of express bus service from Kennedale to the downtown Fort Worth Intermodal Transportation Center and that they were also looking into the Via rideshare program, offered by the City of Arlington.

Mayor Johnson read a proclamation in recognition of Kids to Parks Day (Saturday, May 19, 2018). The City's associated event is KIDFISH from 9:00 a.m. to noon at Sonora Park.

IX. MONITORING INFORMATION

A. Monthly Financials – February 2018

B. Monthly EDC Financials and Activity Report

X. INCIDENTAL ITEMS

XI. REQUIRED APPROVAL ITEMS (CONSENT)

A. Consider approval of minutes from February 15, 2018 regular meeting

B. Consider approval of minutes from March 5, 2018 special meeting

C. Consider approval of Ordinance 641, approving a tariff authorizing an annual Rate Review

Mechanism ("RRM") as a substitution for the annual interim rate adjustment process defined by section 104.301 of the Texas Utilities Code, and as negotiated between Atmos Energy and the Steering Committee of Cities Served by Atmos

D. Consider approval of purchase of a John Deere 4M tractor through the HGACBuy program for the Streets & Parks Department

Motion To Approve Consent Agenda. **Action** Approve, **Moved By** Turner, Seconded By Lee. **Motion passed Unanimously.**

XII. DECISION ITEMS

A. Discuss and consider acceptance of independent auditor's report (Comprehensive Annual Financial Report (CAFR)) for the fiscal year ended September 30, 2017

Paula Lowe of Patillo, Brown & Hill presented a brief overview of the CAFR, noting that it was presented with an unmodified opinion, that the FY16 CAFR received a Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting, and that it was anticipated that the FY17 CAFR would as well.

Council agreed to postpone acceptance of the CAFR.

B. Conduct a Public Hearing to consider authorizing funding participation with Tarrant County Community Development and Housing for the 44th Year Community Development Block Grant (CDBG) Project for water line improvements on Danny Drive

1. Staff Presentation

Public Works Superintendent Larry Hoover stated that the purpose of this public hearing was to identify a CDBG project, which must be in an area where the majority of homes are low/moderate income, and that staff recommends water line replacement on Danny Drive. There was some discussion by Backflow Customer Service Inspector (CSI) Dennis Brown regarding the asbestos pipes currently in use and the process for replacing those lines.

2. Public Hearing

No one signed up to speak at the Public Hearing.

3. Staff Response and Summary

There was no discussion at this time.

Motion To Approve funding participation with Tarrant County Community Development and Housing for the 44th Year Community Development Block Grant (CDBG) Project for water line improvements on Danny Drive. **Action** Approve, **Moved By** Turner, Seconded By Carrington. **Motion passed Unanimously.**

C. Consider approval of Resolution 521 authorizing funding participation with Tarrant County Community Development and Housing for the 44th Year Community Development Block Grant (CDBG) Project for water line improvements on Danny Drive

There was no discussion at this time.

Motion To Approve Resolution 521 authorizing funding participation with Tarrant County Community Development and Housing for the 44th Year Community Development Block Grant (CDBG) Project for water line improvements on Danny Drive. **Action** Approve, **Moved By** Turner, Seconded By Carrington. **Motion passed Unanimously.**

D. Consider appointment of Chair and Vice Chair of the Planning and Zoning Commission

Mayor Johnson stated that the P&Z Commission recommended Chris Pugh for Chair and Lary Adkins for Vice Chair.

Motion To Approve appointment of Chris Pugh as Chair and Lary Adkins as Vice Chair of the Planning & Zoning Commission. **Action** Approve, **Moved By** Gilley, Seconded By Lee. **Motion passed Unanimously.**

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

There was no discussion at this time.

Motion To Approve Resolution 519, adopting a policy for the calling of Regular and Special Meetings of the City Council and for the placement of items on the Council's Regular Agenda. **Action** Approve, **Moved By** Gilley, Seconded By Mayor Pro Tem Joplin. **Motion passed 3-2**, with Carrington and Turner voting against.

Mayor Johnson recessed into Executive Session at 7:54 p.m.

XIII. EXECUTIVE SESSION

A. Eric Elam v. Leslie Galloway (City of Kennedale); Cause # SC9342

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

XV. ADJOURNMENT

Motion To Adjourn. **Action** Adjourn, **Moved By** Carrington, Seconded By Turner. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 8:07 p.m.

APPROVED:

BRIAN JOHNSON, MAYOR

ATTEST:

Leslie Galloway

LESLIE GALLOWAY, CITY SECRETARY

CITY OF KENNEDALE SEAL TARRANT COUNTY, TEXAS