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KENNEDALE CITY COUNCIL MINUTES

REGULAR MEETING VIA VIDEOCONFERENCE
APRIL 21, 2020 AT 5:30 PM

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I. CALL TO ORDER

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

II. WORK SESSION

A. <u>WORK SESSION REPORTS</u>

1. Presentation of the independent auditor's report (Comprehensive Annual Financial Report (CAFR)) for the fiscal year ended September 30, 2019

   Director of Finance and Information Technology Lakeita Sutton stated that the process had taken about one month longer than usual due complications, but that the audit was successful. She added that FY19 ended with a fund balance higher than was projected. The year ended at 32% fund balance as a percentage of annual expenditures across all general funds. She adds that the 32% fund balance includes several of City's funds within the categories of general, capital projects, special projects, municipal, and parks. She stated that the two audit findings that carried over from the prior year were related to the year-end closing process and the segregation of duties.

   Danny Martinez of BKD (the City's auditing firm) offered a presentation of the audit, including results (an unmodified opinion), the process, required communications, findings (two significant deficiencies), financial trends, and forthcoming Government Accounting Standards Board (GASB) standards.

   There was some discussion regarding deferred outflows of resources related to pensions, the Tax Notes issued in January 2020, the potential financial impacts of COVID-19, the deficit reflected on page 4, increasing revenues from sales and property tax, and how ending FY19 above projections will help to mitigate the budgeted deficit for FY20.

2. Hold a discussion and provide staff direction regarding the development of an economic assistance program for local small businesses relating to the Coronavirus (COVID-19) pandemic and the City's local disaster declaration

   City Manager George Campbell stated that though staff had proposed the possibility of a program to assist local small businesses, that research had shown that it would most likely only serve to negatively impact those businesses' ability to qualify for assistance under federal and/or state programs, and, at this time, staff was not offering a recommendation to move forward with such a program. He added that the EDC board had also come to a consensus that provision of such a program by the City and/or the

EDC was premature, but that the board had approved rent deferral (not forgiveness) for tenants of EDC-owned properties in 30-day increments. There was some discussion regarding potentially offering no-interest loans and/or 380 agreements instead of grants.

3. Receive a report and hold a discussion of operations issues relating to the Coronavirus (COVID-19) emergency

   City Manager George Campbell stated that the Planning Department had developed a "Shop Kennedale" program. Planner Meghan Riddlespurger gave a brief presentation of the new website (www.shopkennedale.org) that aggregated local business information, including changes due to COVID-19, noting that the program had been very successful thus far. Riddlespurger added that printed materials were also in production.

4. Receive a report regarding the current status of utility customer service and billing issues

   City Manager George Campbell stated that the Informal Staff Report that had been sent to Council via email was included in the packet and then provided a brief overview of the billing issues that had affected about 200 of the most recent utility bills, the research staff had done to identify the source of the problem, and what was being done to correct and prevent such an occurrence going forward.

   There was some discussion about ways in which this could have been prevented, the need for additional review of billing registers, the cost of having the City of Arlington manually read the meters, the replacement of the MTU's on the meters, and Council's strong desire to do anything necessary from preventing such a problem in the future.

B. REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA
There was no discussion at this time.

At 6:52 p.m., Mayor Johnson offered a brief recess before convening the Regular Session.

III. EXECUTIVE SESSION

The Council recess to Executive Session at any time during this meeting.

IV. REGULAR SESSION

Mayor Johnson called the Regular Session to order at 7:03 p.m.

A. ROLL CALL
Participating via VideoConference: Mayor Brian Johnson; Josh Altom, Place 1; Chris Pugh, Place 2; Mayor Pro Tem Lee, Place 3; Linda Rhodes, Place 4; Chad Wandel, Place 5. ***Staff Participating via VideoConference:*** *City Manager George Campbell, City Secretary and Communications Coordinator Leslie E. Galloway, City Attorney Drew Larkin, Director of HR and Administrative Services Danielle Clarke, Director of Finance and Information Technology Lakeita Sutton, Library Director Amanda King, Director of Planning and Economic Development Melissa Dailey, Planner Meghan Riddlespurger, Public Works Director Larry Hoover, Fire Chief James Brown, and Police Chief Tommy Williams, Administrative Assistant Rosie Ericson;* ***Consultants Participating via VideoConference:*** *Danny Martinez of BKD and Lee Swain of SafeBuilt*

B. INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS
This item was skipped due to the meeting being held via VideoConference.

C. VISITOR AND CITIZEN FORUM

There were no requests to speak at this time.

D. REPORTS AND ANNOUNCEMENTS

1. Updates from the City Council
   - **Josh Altom, Place 1**, announced that he recently tested positive for COVID-19 antibodies and believed he had the virus in January.
   - **Chris Pugh, Place 2**, announced that he attended a few calls to keep updated on current public health issues, talked to a few residents about the water billing mistakes, and thanked staff for resolving the issue quickly.
   - **Mayor Pro Tem Sandra Lee, Place 3**, thanked Chad and Leslie Wandel for making masks and Jan Joplin for handing them out at the senior apartments on New Hope Road; she also thanked Lakeita for her hard work on the audit and to correct the water billing issue.
   - **Linda Rhodes, Place 4**, thanked Lakeita Sutton for her work, adding that there should be responsibility for the issue and that it should fall to the billing company.
   - **Chad Wandel, Place 5**, announced that he was working from home and that he and his wife Leslie had made more than 1000 masks now, using donations from the community, and that anyone needing one should message him.

2. Updates from the Mayor

   Mayor Johnson thanked Lakeita Sutton for having the forethought to immediately disable auto-pay when the billing error occurred, thanked George Campbell and Leslie Galloway for their work on the billing issue, and thanked Sara Johnson, Chad Wandel, Jan Joplin, Gary Mitchell, and others for helping get masks to those who need them. Mayor Johnson then read the proclamations regarding Child Abuse Prevention and Kids to Parks Day.

3. Updates from the City Manager

   City Manager George Campbell announced that staff had been focused on keeping up with state and federal level guidance and regulations regarding COVID-19, noting that there were now two confirmed cases in Kennedale.

4. Financial Reports for the City

   Director of Finance and Information Technology Lakeita Sutton offered a brief overview of the February and March 2020 financials, noting that revenues and expenditures were on track, that it was not yet fully known how Water Fund expenditures might be affected by the departure of Aclara and the forthcoming move to the City of Arlington for billing, that staff was creating a list of stormwater capital projects, and that projects might be delayed and revenues might be negatively affected by COVID-19. City Manager George Campbell added that, when practical, vacant positions were being left unfilled.

5. Schedule of Investment Activity for quarter ending March 31, 2020
   There was no discussion at this time.

E. CONSENT AGENDA

1. Approval of the minutes from the February 18, 2020 regular meeting

2. Approval of the minutes from the March 24, 2020 special meeting via teleconference

3. Approval of the minutes from the March 31, 2020 special meeting via teleconference

4. Consider adoption of Ordinance 693, amending Chapter 12, "Miscellaneous Provisions and Offenses" of the Kennedale City Code by adding section 12-10, "Protection of Children Exposed to Unjustified Violence."

5. Consider adoption of Ordinance 694, amending Chapter 12, "Miscellaneous Provisions and Offenses" of the Kennedale City Code by adding Section 12-11, "Effective Response to Strangulation."

6. Consider acceptance of independent auditor's report (Comprehensive Annual Financial Report (CAFR)) for the fiscal year ended September 30, 2019

   Motion Approve. **Action** Approve Consent Agenda, with the corrected date of approval on Ordinance 694, **Moved By** Rhodes, **Seconded By** Wandel. **Motion passed unanimously.**

F. ITEMS FOR INDIVIDUAL CONSIDERATION

1. Consider approval of Ordinance 691, amending various provisions of Chapter 4 "Buildings and Building Regulations" of the Kennedale City Code to adopt the 2018 International Building Code (IBC), 2017 National Electrical Code (NEC), 2018 International Mechanical Code (IMC), 2018 International Plumbing Code (IPC), 2018 International Fire Code (IFC), 2018 International Residential Code (IRC), 2018 International Fuel Gas Code (IFGC), 2018 International Energy Conservation Code (IECC), and 2018 International Swimming Pool and Spa Code (SPSC) along with local amendments as recommended by the North Central Texas Council of Governments (NCTCOG)

   Director of Planning and Economic Development Melissa Dailey stated that the City was currently operating under 2015 codes, and staff was recommending adoption of the 2018 codes along with the regional amendments provided by the North Central Texas Council of Governments (NCTCOG). Lee Swain of SafeBuilt was available to answer questions. There was some discussion of how adopting the new codes might affect construction costs, that these codes would not retroactively be applied to existing construction, that the main purpose of updated codes was increased safety, and that it was considered a best practice to be in line with what other Cities in the region are requiring.

   Motion Approve. **Action** Approve Ordinance 691, amending various provisions of Chapter 4 "Buildings and Building Regulations" of the Kennedale City Code to adopt the 2018 International Building Code (IBC), 2017 National Electrical Code (NEC), 2018 International Mechanical Code (IMC), 2018 International Plumbing Code (IPC), 2018 International Fire Code (IFC), 2018 International Residential Code (IRC), 2018 International Fuel Gas Code (IFGC), 2018 International Energy Conservation Code (IECC), and 2018 International Swimming Pool and Spa Code (SPSC) along with local amendments as recommended by the North Central Texas Council of Governments (NCTCOG), **Moved By** Pugh, **Seconded By** Altom. **Motion passed unanimously.**

2. Consider adoption of Ordinance 692, amending Article III "Fire Department" of Chapter 6 "Emergency Management and Services" of the Kennedale City Code to authorize and establish mitigation fees for the deployment of emergency services by the City of Kennedale Fire Department

   Fire Chief James Brown stated that approval of Ordinance 692 would allow the City to invoice insurance carriers for certain equipment and personnel costs associated with the provision of emergency services, but that if the insurance company did not pay that the billing would be written off (and not directed to the private party involved in the incident).

   Motion Approve. **Action** Approve Ordinance 692, amending Article III "Fire Department" of Chapter 6 "Emergency Management and Services" of the Kennedale City Code to authorize and establish mitigation fees for the deployment of emergency services by the City of Kennedale Fire Department, **Moved By** Altom, **Seconded By** Mayor Pro Tem Lee. **Motion passed unanimously.**

G. PUBLIC HEARINGS

1. Conduct a Public Hearing and consider approval of Resolution 569, authorizing funding participation with Tarrant County Community Development and Housing for the 46th Year Community Development Block Grant (CDBG) Project for rehabilitation of water lines in the 400 to 600 blocks of Third Street

   Public Works Director Larry Hoover offered a brief presentation regarding the scope of the project, the income levels necessary for an area to quality, and that the City had received more funding than was projected – $180,000 rather than $160,000.

   Mayor Johnson opened the public hearing at 7:56 p.m. There were no requests to speak, and the public hearing was immediately closed.

   Motion Approve. **Action** Approve Resolution 569, authorizing funding participation with Tarrant County Community Development and Housing for the 46th Year CDBG Project for rehabilitation of water lines in the 400 to 600 blocks of Third Street, **Moved By** Wandel, **Seconded By** Pugh. **Motion passed unanimously.**

H. TAKE ACTION NECESSARY, PURSUANT TO EXECUTIVE SESSION, IF NEEDED

1. Take any action deemed necessary as a result of the Executive Session
   There was neither discussion nor action at this time.

V. ADJOURNMENT

Motion Adjourn. **Action** Adjourn, **Moved By** Altom, **Seconded By** Wandel. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 7:57 p.m.

APPROVED:

BRIAN JOHNSON, MAYOR

CITY OF KENNEDALE ★ TARRANT COUNTY, TEXAS ★ SEAL

ATTEST:

Leslie E. Galloway

LESLIE E. GALLOWAY, CITY SECRETARY