



1111 Bayou
La Marque, Texas 77568
409.938.9202

**City of La Marque
Minutes
August 8, 2013**

Minutes of the City Council Special Meeting and Budget Workshop of the City of La Marque, Texas that was conducted on Thursday, August 8, 2013 at 1:00 p.m. at 1109-B Bayou Road for purpose of considering the following agenda:

(1) Mayor Hocking called the meeting to order at 1:00 pm.

(2) ROLL CALL

Mayor Hocking

Mayor Pro-Tem Bell

Councilmember Brown

Councilmember Trube

Councilmember Osteen

City Manager Buttler

City Clerk Eldridge

(3) MAYOR LED THE INVOCATION AND THE PLEDGE OF ALLEGIANCE.

(4) NEW BUSINESS

a. Discuss and Review Departmental Proposed Fiscal Year 2013-2014 Budget.

ECONOMIC DEVELOPMENT CORPORATION

Discussion began with Ron Crowder, Chairman of Economic Development Corporation explaining the revenue trends beginning in 2010, and reported that the spending has been consistent.

- The EDC has spent the last 8-9 years working in the Highland Park area. Currently, the EDC owns the majority of the lots with the exception of about ten to fifteen, some they have acquired over eighty to ninety years ago. The City has abandoned some right-of-ways, but there are a few rights-of-ways still out there, the total is close to 150 acres of developable land in the southern portion of La Marque.
- The EDC has recently finished conducting a business survey, and received approximately twenty surveys back completed. The City is consuming a lot of water based on a water survey. There will be a study done to define the problem. A few ideas surrounding a Master Plan that has been discussed that would include using Cedar and Foeshe as a main entrance into the City with the Cedar and Bayou area being developed into an old town city square, comparable to Grapevine or La Grange, Texas.
- The EDC is continuing to assist in the cleaning up of the City by helping getting rid of old dilapidated buildings. The lack of motivation by some citizens is evident as one Councilmember stated and that to which Mr. Crowder shared, the concept is if one person starts to see that another owner is repairing and cleaning up their property, maybe it will



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catch on with other neighbors. EDC is limited in what they can do is working towards rebuilding.

- La Marque is suffering from what took place over ten years ago, when freezing of certain salaries took place, and some of those positions are still very low compared to the same positions in the surrounding areas.
- EDC has agreed to pay the City's portion of \$900,000.00 to Sam's.

PIDS

- The three (3) PID's were discussed and explained. EDC monitors the PID's and the City collects 5% once the monies have been collected. The Finance Director is doing some investigating on any evidence that the developers had been paid, before releasing any refunds back to them, in relationship to these PID's.
- Mr. Crowder said it was a privilege to come to the Budget Workshop; it was the first time the EDC had been asked for their input in the budget preparation process.

HOTEL/MOTEL FUND

- HOT Fund (Hotel/Motel Fund) – very restrictive legislative guidelines, money can be spent on very exclusive reasons. Something that will put “heads in beds”, something to market the City and to bring tourism into the City (examples include: monumental entrance signs, Bayou Fest) other expenditures included lapel pins, and the 60th Anniversary of La Marque.
- The revenues projection is low based on a timing issue. It was discussed that a firm will be coming in that will audit the reports from all of the City's hotels.
- The need for the City to have a VISION, consistent with each of the departments' visions, to be able to move forward as a City. Why would people want to come to La Marque? What project can we do to promote La Marque? The need for a long range vision was discussed. The idea of a Bike/RV Park was mentioned and a laser light show instead of a fireworks display.
- The foundation to form a Comprehensive Plan that would include meetings with the School District, churches, citizens and business input, with David Baker, of Public Management and also Ms. Tims, the Building Official has been begun.
- The need to help the School District in forming a partnership with the City and try to bring the City back up as a whole was discussed.
- Mayor asked that this subject be included in a future Workshop.
- Mayor also would like get a copy of the monumental signs from the EDC Coordinator.

Mayor recessed the Special Budget Workshop at 3:00 p.m.

Mayor reconvened the Special Budget Workshop at 3:15 p.m.

UTILITIES – REVENUES/EXPENSES

- Kiosk- payment on-line and can view their history on-line



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- Over-budget- not budgeted for additional training/support
- It was suggested not to go over on line items/some due to previous Finance Director
- Itemizing line items in future, some may still go over for unanticipated expenditures
- STW training not budgeted

UTILITY LINE MAINTENANCE

- Payroll projections low, employees left and positions haven't been filled (6 short)
- Over-budget in fuel; captured gallons from fuel pump; no one taking home vehicles, still needs to change this amount
- Some reductions in the sewer maintenance
- Street projects- Finance Director added 427,000.00- Fund 46
- Vacancy in equipment operator. Plant Operator asked if salaries could be upgraded (\$22,000.00). Trying to get those employees out of the poverty level
- Certification pay for certain job titles? Last done fifteen years ago. Trying to stay in-line with other cities
- Should we re-organize public works- through re-classification?
- Need strategy- maybe take different groups one year then next year a different group
- Employees aren't only ones at poverty level, some citizens are also, fair solution, there needs to be a balance
- Running lean and mean for another year (1-3 year process)
- Error on page 304, Plan Operator should be in Department 26

WATER/SEWER OPERATIONS

- Department Director/Assistant and Operators payroll needs to be increased, moving up class by class giving them a two year time frame. (3 classes- by state law requirement)
- Was this a good time to place in the budget at this time? Just a proposal not a presumption at his time- discussion only
- Public Works Director- number of departments overseen, duties and responsibilities, decision making authority and consequences based on their decisions
- If one person or group of persons get a pay raise, all employees should receive a raise
- Eight hours work for eight hours day, not extra duties, do what you can do regardless of what it is within those eight hours, even if outside of regular scope of duties
- Last time COLA across the board increase for employees was in 2007
- GCWA- page 180- significant increase- debt services was charged back into line item where it should be and also (2) increases in purchasing the water- need to bump up around \$25,000.00 in case needed
- Page 191 line item 8017- transfer to Fund 43, debt service bond portion split off to purchase water as per recommendation of auditor (annually)
- Is EDC able to pay for any infrastructure repairs? Looking into- with Type "A" it has to be tied to a business.
- Recovery surcharge fee? Is water considered infrastructure?



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CDBG

- Page 236, the grant applied for last year, we lost points for not increasing our water rates, and the fact that we were funded in two prior projects cost the City the grant.
- 2.2 Disaster Projects in the Pertheus Farms area will be starting up in two to three months, that was damaged due to Hurricane "IKE" is 30% complete (totaling around \$7 million)
- Completing the 2.1 Disaster Projects CDBG at this time- \$160,000.00
- Working out with land owners temporary work agreement on north side
- When stripping the streets, use the extra asphalt, maybe haul to use in the parking at Highland Park or at the Cemetery
- After 2015 these grants are cut off
- Added Fund 70- For Disasters only- so that it is in a centralized location for all monies coming and going out- keeps books clean

Mayor recessed the Special Budget Workshop at 4:40 p.m.

Mayor reconvened the Special Budget Workshop at 6:00 p.m.

- Storm Water Testing- by law have to monitor a certain amount of sites per year
- Capital Improvements --Electrical upgrades- out of Hotel Motel Fund
- Replacing a paint striper- \$8,000.00- only good for about five years (2016)

DEBT REQUIREMENT SCHEDULE

- Page 296, itemizes the debts of the City
- Ideally, there should be a steady line going from year to year
- City doesn't have a lot of debt at this time
- 2005 and 2007 Certificates of Obligation (Streets & Drainage)
- 2011 Refunding (Utility Fund)- transfer that is a Utility Bond- into Debt Service Fund
- SSO Program- TV and Smoke Testing is mandated- after that we have to begin rehabilitation or at least show good faith
- Where is money coming from? Do we need to go out for a Bond Election?
- Capital Improvement Program according to Charter (five to six year plan ahead)
- Bond Election will effect utility rates- lost a grant earlier for not raising utility rates
- Moving ahead on evaluation with Cobb Fendley (40 thousand feet)
- Community Development Block Grant- next cycle 2016-2017
- By 2017, according to utility debt chart, this drops or breaks even
- On Certificate of Obligations – utility debts, can issue Revenue Bonds or Certificates of Obligations (need to check into)
- Citizens would have to vote on General Obligation Bonds
- Need to have Bond Counsel direction
- Management to bring to Council other ideas to fulfill the rest of the City's obligations
- Another reason to have a Comprehensive Plan- to let citizens know what we need and how we plan on achieving it



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- RADIOS- a deadline FCC- new frequency- next year may be the last year on old frequency
- All Emergency Management departments will have to communicate on the same frequency (Fire, Police, Public Works, Development Services)
- All agencies in the County will be going to this- it is mandated, the present radios will no longer have capability to communicate
- Discussed number of radios for each department needed
- In a City of La Marque's size, it may not be feasible to get everybody a new radio, but strategically place those that will be communicating more frequently
- Handing down some of the present radios to Public Works Department was discussed
- Purpose of new radios is for 700 mega-hurt radio system- so entities can communicate amongst themselves, the 800 mega-hurt radio system will become obsolete – old radios will not comply
- See if we can wait another year, since when this year's budget has to be adopted, is towards the end of the hurricane season.
- Contingency Fund in City Manager budget (\$30,000.00) - maybe be able to purchase enough radios to get through until the next budget year – who is the most critical, can we phase them in?
- Compared radio infrequencies to 911
- When is actual deadline to replace radios?
- It was suggested to make due with less
- It was not recommended to share radios in the Police Department- radios identify officers (accountability) and more wear and tear if shared
- Recommended to purchase all radios this year, Fire/ Police first
- One option is through- lease (Capital purchases)
- Replacement Fund (\$250,000.00) Option- hold off until last minute (reserve until absolutely needed)
- Radios assigned to positions not persons (Firefighters usually work in teams)
- Still need a clear count of number needed (32 and 33) mobile and stationery needed in PD
- Where are the other cities in the County- La Marque one of the last cities

Mayor recessed the Special Budget Workshop at 7:30 p.m.

Mayor reconvened the Special Budget Workshop at 7:41 p.m.

FINANCE

- Page 43 increase in payroll? No, the first part of year, Finance Director was a consultant and not paid from this line item
- Over budget in training & travel due to STW training that wasn't budgeted
- Page 47, \$16,000.00 over in appraisal fees (4040)
- Some of the other line items will even the bottom line items out
- Under a different Finance Director in previous budget years shown, will need to be looked into to make sure figures are accurate



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- Some of the line items were unexplainable
- Extensive auditing work that was required that was unexpected
- 2010- Operating supplies – budgeted for time clocks- city-wide
- Professional fees (page 49) – added time sheets on-line- so that in case of an emergency, business will run as usual
- Fraud Guard included
- Lease fees were captured in proposed line item, that were left out last year
- Travel & Training- just enough to meet recertification/and included some for other employees including webinars
- Audit fees- preliminary work should be captured in that fiscal year- didn't anticipate new auditor's- hopefully we can eventually knock this amount down in future by doing more in-house
- A savings on General Liability is estimated of a savings of \$35,000.00, haven't heard about the Windstorm Insurance yet

EQUIPMENT REPLACEMENT FUND

- The \$250,000.00 is coming from the Debt Service Fund- we used to pay supplemental annuities; now we pay out of Fund 99
- The legal way to use this Debt Service monies is to minimize the amount in that line item, as per auditor
- We can use this on Capital Items, rather than on leasing and pay an interest cost
- This is a strategy
- Lease/purchase used as a Capital- can be used for radios or vehicles
- Can this be used without Council being aware of it? Council can lock it in to be used only for certain items- have it in a restricted fund
- Fire Truck Lease included
- Enterprise- vehicles Option 2

DEBT SERVICE

- Page 154- Bonds and principals outlined
- Captured lease/purchase with Enterprise

Mayor recessed the Special Budget Workshop at 8:45 p.m.
Mayor reconvened the Special Budget Workshop at 8:55 p.m.

b. Discussion/possible action City Council recommendations to Proposed Budget for Fiscal Year 2013-2014.

RE-CAP OF BUDGET WORKSHOP/AND VOTED ON THE FOLLOWING ITEMS:

- Discussed \$75.00 for Turkey Money- proposed currently they receive \$25.00 currently
Councilmember Trube made a motion and Councilmember Osteen seconded the motion to approve the \$75.00 for Turkey Money for each employee. Motion carried unanimously.



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- HR function and additional function split into two persons presently
Councilmember Bell made a motion to allow the City Manager at her discretion to give those duties to one individual for (\$5800-\$5900) or recommend hiring another person.
Councilmember Osteen seconded the motion. Motion carried unanimously.
- Proposed to give additional compensation to the person to take on the role in addition to their own duties as a Purchasing Coordinator (bid process, contracts and training included) - \$1000.00 per year on a trial base.
Councilmember Bell made a motion to give the additional purchasing duties to the member of the Finance Department for an additional \$2,500.00, per year. Councilmember Brown seconded the motion. Motion carried 4 to 1, with Councilmember Trube opposing the amount given only, not the individual.
- Additional functions and responsibilities in Public Works Department for two different individuals. (Supervisor and Foreman). Each received a \$1.00 an hour already
Councilmember Trube made a motion to approve the \$2,344.00 for each individual. Councilmember Bell seconded the motion.
Motion carried with a vote of 4 to 1, with Councilmember Brown opposing, stating that he thought they should receive more.
- IT- \$2,500.00 to hire an intern on a part-time basis
After a lengthy discussion, Councilmember Osteen made a motion to approve the hiring of an intern for \$2,500.00 a year.
Councilmember Brown seconded the motion.
Motion carried unanimously
- Public Works Director salary increase
After a lengthy discussion, focusing mainly on the departmental structure, and the possibility of restructuring. Councilmember Trube made a motion to increase the salary of this position by \$11,441.00. Councilmember Bell added the stipulation that the City Manager reorganize this department.
Councilmember Brown seconded the motion. Motion carried 4 to 1, with Councilmember Osteen opposing.
- Original Budget -Code Enforcement Officer for full year, proposed for half a year
After a lengthy discussion, Councilmember Bell made a motion to postpone the hiring of a Code Enforcer for \$58,000.00 until mid-year. Councilmember Trube seconded the motion. Motion carried unanimously

Mayor recessed the Special Budget Workshop at 10:41 p.m.
Mayor reconvened the Special Budget Workshop at 10:55 p.m.



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- Temporary freeze on the Shop Supervisor position and rewarding the person who had been doing the duties, contingent on the agreement with Enterprise. (person awarded the additional amount on an earlier item)
Councilmember Mayor Hocking made a motion to place a temporary freeze on the Shop Supervisor position. Councilmember Trube seconded the motion. Motion carried unanimously.
- Increase in Animal Shelter Annual cost of \$5,229.00
Councilmember Osteen made a motion to approve the increase to the Animal Shelter annual cost of \$5,229.00. Mayor Hocking seconded the motion. Motion carried 4 to 1, with Councilmember Trube voting in opposition, stating it wasn't fair that we were paying for that service twice, once through City taxes, and also through County taxes.
- Reduce Code vehicle request and add to Capital lease purchase.
Councilmember Bell made a motion to reduce code vehicle request and add to Capital lease purchase. Councilmember Trube seconded the motion. Motion carried unanimously.
- Reduce Fire radio request and add to Capital Lease/purchase.
Councilmember Trube made a motion to reduce Fire radio request and add to Capital Lease purchase. Mayor Hocking seconded the motion. Councilmember Trube withdrew her motion. Mayor Hocking withdrew his motion for further recommendation and information from staff.
- Reasonable split of legal and audit services among the General Fund and the Utility Fund
It was determined that this item could be decided by the City Manager and no vote was required.
- Capital Lease/Purchase option (Radios/Vehicles)- Police Department
After a very lengthy discussion, the Finance Director announced that a detailed list of the vehicles and options will be provided at a later date.
- Council Travel & Training- \$2,000 for each member including Mayor
Councilmember Trube made a motion to approve the budgeted amount of \$2,000 for each member including Mayor. Councilmember Osteen seconded the motion. Motion carried unanimously.
- Council Supplies- \$250.00 for each member- \$1250.00 year for other supplies
Councilmember Bell explained this item was for Council supplies, business cards, thing needed to represent the Districts. Councilmember Trube seconded the motion. Motion carried unanimously.



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- Kiosk
After a lengthy discussion of the need of a kiosk, Councilmember Trube made a motion to approve the kiosk. Councilmember Bell seconded the motion. Motion carried unanimously.

*****Happy Birthday was sung to Councilmember Trube*****

- Separate Fund for Cemetery Maintenance
Councilmember Trube made a motion to create a separate fund for Cemetery maintenance in next year's budget. Councilmember Brown seconded the motion. Motion carried unanimously.
- Splitting the funds, between the Parks, Cemetery and Clean City for the next budget year.
This item is being pulled with the cemetery having their own fund beginning next year.
- Add Electrical upgrade phase III – Bayou Fest
Councilmember Trube made a motion to accept the electrical upgrade. Councilmember Bell seconded the motion. Motion carried unanimously.
- Resume 50% of retirees insurance
Mayor brought to the table for discussion of having the city restore the other half of the co-pay (\$35,000.00) for co-pay for insurance to the retirees. Mayor Hocking made the motion. Councilmember Brown seconded the motion. Motion fails 3 to 2, with Councilmembers Bell, Trube, and Osteen voting in opposition.
- Municipal Court fines
No need for vote. Councilmember Bell had asked earlier about the conservativeness of the revenues projected line item.
- Traffic Enforcement Officer- \$7,517.00
After discussion, the City will wait until January for the hiring in this position, or possibly filling position with an existing officer. PD is short in patrol area at this time, wait until there are more officers on the street. No action was taken at this time. This person would do traffic only. Chief added that he didn't want to move on this item at this time.
- 01-4060-03-00- requires no action/ vote at this time



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- Bayou Fest transfer should be charged directly – **no action at this time**
- Increase of current interim staff for step up – **Shop employee doing duties but not being paid for- place \$2000.00 in budget.**

Mayor Hocking made a motion to approve, seconded by Councilmember Bell. Motion carried unanimously.

- Fences Cemetery- **no action at this time, we will create a fund**
- Extra help in streets – (\$15,000.00) – not used this year asking to reinstate
Councilmember Trube made a motion to approve the allocation of \$15,000.00, for extra help seconded by Mayor Hocking; motion carried 3 to 2, with Councilmember Brown and Osteen voting in opposition.
- GIS System – \$15,000.00 (maybe taken out of street maintenance) - must be a Capital project item.
After discussion, Mayor Hocking made a motion to move ahead on this item, seconded by Councilmember Bell, motion carried 3 to 2, with Councilmembers Brown and Osteen voting in opposition.

Mayor recessed the Special Budget Workshop at 1:25 a.m.

Mayor reconvened the Special Budget Workshop at 1:37 a.m.

- Remove Monument sign (HOT) – (100,000.00)
Mayor Hocking made a motion to have move forward with just one sign, cutting this amount in half \$50,000.00. Motion was seconded by Councilmember Trube, Motion carried 3 to 2, with Councilmembers Osteen and Brown voting in opposition.
- Increase fuel for Department 22- by \$5,000
Under-budgeted- Mayor Hocking made a motion to approve the amount of \$5,000 extra in fuel. Councilmember Bell seconded the motion. Motion carried unanimously.
- Correct position plant operator from 24 to 26- **No action needed**
- Remove Public Works Director increase- **moot point at this time (no action)**
- Back-out \$40,000 for grant matching in Fund 46-2007-CO – Freedom Grant-
Mayor Hocking made a motion to accept, Councilmember Trube seconded the motion. Motion carried unanimously.

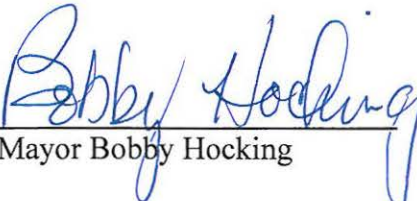


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- Radios for Police (65) and Fire (8)
Mayor made a motion to hold off on radio purchases for this budget year- then withdrew his motion. A lengthy discussion followed.
Mayor Pro Tem Bell made a motion to look into lease/ purchase options for the upgrade of the Fire and Police radios (mobile and handheld), and also IT, Judicial, and Development Services not to exceed \$350,000.00. Councilmember Osteen seconded the motion. Motion carried unanimously.
- Discussion continued concerning the .46 - .50 added to each citizen's water bill for brush pick-up, in an effort to clean up the City. (Republic Waste)
Motion was made by Councilmember Trube to have the City Manager investigate where to find the money to pay not to exceed \$40,000 for the .50 brush pick-up-fee through Republic Waste. Councilmember Brown seconded the motion. Motion carried unanimously.
- Add funds to Street Maintenance line
After discussion, motion was made by Councilmember Osteen to put an extra \$250,000.00 into Street Maintenance for road repair. Councilmember Trube seconded the motion. Councilmember Osteen withdrew his motion and Councilmember Trube withdrew her motion. Councilmember Osteen made a motion for \$50,000.00. Councilmember Trube seconded the motion. Motion carried unanimously.

(5) ADJOURNMENT

- ** Councilmember Trube moved to adjourn at 2:44 a.m. August 9, 2013.
- ** Seconded by Councilmember Osteen. Motion approved unanimously.


Mayor Bobby Hocking

ATTEST:


Robin Eldridge, TRMC
City Clerk