

**Minutes  
City of Mountain City  
City Council Meeting  
11 December, 2017  
City Hall**

**1. CALL REGULAR COUNCIL MEETING TO ORDER & ROLL CALL**

The regular monthly City Council meeting was called to order at 6:03 pm by Mayor Phillip Taylor. There was a quorum, with all Council members present. Members present also included Mayor pro tem Ralph McClendon and Council members Suzanne Hallam, Cynthia Holmes, Ray Patterson, and Lee Taylor. City Administrator Rick Tarr, City Treasurer Vicki Senefeld, and City Secretary Ellis Craig were all in attendance.

**2. SWEARING-IN CEREMONY FOR NEWLY ELECTED COUNCIL MEMBERS – Judge Beth Smith**

Judge Beth Smith conducted the swearing-in ceremony for the newly elected Council members: Suzanne Hallam, Ray Patterson, and Lee Taylor. They will begin new 2-year terms of office.

**3. PUBLIC COMMENT & COMMUNICATION ON NON-AGENDA ITEMS**

There were 5 other attendees. These included City residents James Hill, Beth Smith, Charles Hathaway, and Jerry Borcharding. Also attending was Byron T. Townsend, the contractor for operation of the City's newly purchased water system.

There were no requests to make a public comment at this point in the meeting.

**4. CONSENT ITEMS**

**a. Approve minutes from November 13, 2017 monthly Council meeting**

The minutes of the November 13, 2017 regular Council meeting were approved by a vote of 5-0 (motion by L. Taylor, seconded by Holmes), with no corrections.

**b. Approve Financial report from City Treasurer**

The November 2017 Financial Report was reviewed. As of the November report the checking account balance was \$46,290.49. The Savings Account balance was \$185,719.86. Income for the month was \$5,245.86 (\$1,180.25 in Ad Valorem taxes, \$2,527.82 in franchise fees

from Spectrum Communications, \$1,533.21 in Sales tax & \$4.58 in Savings interest). Expenses for November were \$7,006.44. Non-routine expenses included \$3,472.44 to Wells Fargo for the quarterly mortgage payment for the City Hall building and \$1,005 to Harkins Engineering for a water tank inspection. It was also reported that the company doing the mowing of the right of way in the City along FM 2770 has changed its name from Rikardsen Enterprises to Doug's Mowing.

Treasurer Senefeld noted again that the City now has three separate financial accounts: regular City business, a Water Utility account, and a Capital Funds account. The annual budget for the Water Utility system is \$134,910. November expenses were \$1,169.98. This included a \$611.49 payment to BSEAD (Barton Springs Edwards Aquifer District), \$34.49 in supplies, and \$524 to the contract Operator of the water system. The Capital Fund account has an annual budget of \$500,000. November expenses were \$19,226.73. This included \$8,976.73 in Engineer costs, a \$250 MAC fee, and \$10,000 in transition costs. and office supplies related to the water system

The November 2017 Financial report was approved by a vote of 5-0 (motion by McClendon, seconded by Patterson).

## 5. REPORTS

### a. **Mountain City Events update (P. Taylor)**

Mayor P. Taylor reported that the only immediately upcoming event is the City's Christmas lights contest.

### b. **Status report on purchase of Mountain City Oaks Water System (McClendon)**

The contract Operator of the water system, Byron T. Townsend, was present at the meeting to answer any questions. He also provided a Contract Operations Report, covering the period from October 27 through November 30, 2017. Among the activities listed were marking all the main valve locations with blue paint on the edge of the pavement to facilitate timely isolation of leaks, identification of a leak at one residence, and re-reading of several meters to verify their accuracy. Some equipment updates were also recommended.

## 6. COMMITTEES AND BOARDS

### RECESS FOR BOARD OF ADJUSTMENT MEETING

The City Council meeting was recessed at 6:07 pm for the Board of Adjustment meeting. The regular City Council meeting re-convened at 6:11 pm.

## 7. UNFINISHED BUSINESS

### a. Follow-up on possible ordinance violations (Craig)

It was reported that another certified letter had to be sent to the owner of the vacant lot at 106 Poplar because of an incorrect address. This letter was also returned as undeliverable. However, an email address for the property owner has been obtained from the Central Appraisal District. An attempt will be made to contact the property owner via this means.

It was also reported that the travel trailer on Pin Oak previously identified as being parked in violation of the ordinance has been moved.

## 8. NEW BUSINESS

### a. Identify, discuss and take possible action on new City Ordinance violations

It was reported that the residence at 316 Live Oak Drive is in violation of the ordinance by not having a yard light in the front yard. A reminder letter will be sent.

### b. Discuss and take possible action on revisions to Water Utility Ordinances (McClendon & Townsend)

There was a detailed review of the previously approved Water Utility Ordinance (No. 091117B). Based on Mr. Townsend's recommendations, a number of changes were proposed. These included several changes to Section 7 (Billing). Key modifications included changing the past due date for payments from the 10<sup>th</sup> of the month to the 15<sup>th</sup>. Past-due reminder notices will no longer be sent. Also, the late fee is changing from a 10% late fee to a flat \$5 charge.

The final page of the Ordinance, Appendix A, contains the City's water rates and fees chart. The monthly base rate (\$29.55) and the rates for different categories of water amount used will remain as is. However, two listed fees, name transfer and late collection, will be deleted. Further, the Customer Deposit fee will decrease from \$200 to \$50, and the Meter Test Fee will decrease from \$125 to \$25. The Deposit fee will be waived for

owners age 65 and older, and other Deposit fees checks will be returned after one year.

New applications for use of the water system will have to be obtained from all the owners. These applications will be included along with the December water bills. A TCEQ Notice of past water system violations will also be sent with the bills.

A revised Ordinance will be considered at the January 2018 City Council meeting.

**c. Discuss and take possible action on General Services Agreement with Harkins Engineering (McClendon)**

This agreement involves payments of \$140 per hour to Harkins Engineering for technical assistance to the City, primarily involving required reports to TCEQ (Texas Commission on Environmental Quality). The Agreement, which is renewed annually, has been reviewed by the City's Contract Attorney firm. There was a motion by Council Member Taylor (seconded by Holmes) to approve the Agreement. The motion was approved by a vote of 5-0.

**d. Discuss and take possible action on Water Utility Billing Software (McClendon)**

A motion was made by Mayor P. Taylor and seconded by Council member Holmes to open discussion on this item. Mayor pro-tem McClendon described some problems that have been occurring with the current software (RVS). Although the previous owners had been using the software for many years, it is not as advanced as other billing systems that have been researched. Further, the technical support from the software company has been inadequate. Thus, Mayor pro-tem McClendon recommended that the City purchase another utility billing software, called CUSI. A motion was made by Mayor pro-tem McClendon to purchase the CUSI software and seconded by Council member L. Taylor. The vote was 5-0 in favor of the purchase.

**e. Discuss and take possible action on water utility budget for new water meters (McClendon)**

At the November 13, 2017 meeting the Council approved the purchase and installation of a type of automatic water meter reader called Zenner. Current cost estimates include \$48,715 for the purchase of 237 Zenner meters and associated equipment, \$6,132 to purchase replacement lids and meter boxes, and \$9,510 installation costs, for a total of \$64,357. It was further noted that the automatic meters will reduce necessary staff time

and improve leak detection. A motion was made by Mayor P. Taylor (seconded by Council member L. Taylor) to use up to \$65,000 from the Transition Budget to fund these purchases and work. The motion was approved by a vote of 5-0. Installation of the new meters is planned for the last week of January and the first week of February.

#### **9. EXECUTIVE SESSION**

An Executive session was held from 6:13 pm to 6:30 pm. Although no official action was taken in the session, the discussion focused on water system issues.

#### **10. INFORMATIONAL ITEMS**

**a. Website/Communications updates (P. Taylor)**

No updates.

**b. CAPCOG update (P. Taylor)**

No updates.

**c. Other information updates from Council members**

No updates.

#### **11. ADJOURN**

The meeting was adjourned at 7:22 pm.

These minutes approved on the 8th day of January 2018.

**APPROVED**

/s/Phillip Taylor, MAYOR

**ATTEST**

/s/Ellis Craig, CITY SECRETARY