



City of Lucas
City Council Meeting
April 20, 2017
6:35 P.M.

(or immediately following the Lucas Fire Control Prevention and EMS District Meeting)

City Hall - 665 Country Club Road – Lucas Texas

Minutes

Call to Order

Mayor Olk called the meeting to order at 6:49 p.m.

City Councilmembers Present:

Mayor Jim Olk
Mayor Pro Tem Kathleen Peele
Councilmember Wayne Millsap
Councilmember Tim Baney
Councilmember Steve Duke
Councilmember Philip Lawrence
Councilmember Debbie Fisher

Staff Present:

City Manager Joni Clarke
City Secretary Stacy Henderson
Development Services Director Joe Hilbourn
Public Works Director/City Engineer Stanton Foerster
Finance Director Liz Exum
Fire Chief Ted Stephens
Assistant Fire Chief/Emergency Management Coordinator
Lance Gant

Mayor Olk determined that a quorum was present. Everyone was reminded to turn off or silence their cell phones and the Pledge of Allegiance was recited.

Citizen Input

1. Citizen Input.

There was no citizen input.

Community Interest

2. Community Interest Items.

A. Presentation of Proclamation to Frank and Dorma Prokop honoring their 50th Wedding Anniversary.

Mayor Olk presented the Proclamation to Frank and Dorma Prokop.

B. Discuss pending legislation that is being considered by the 85th Legislature and provide guidance to City Staff and City Attorney.

Councilmember Fisher asked that the City Attorney give an update at an upcoming meeting regarding franchise fees and the use of City right-of-way.

Councilmember Millsap noted that HB 15 should be watched as it could have an impact on the City's tax rate for next year.

Mayor Olk asked that an item be placed on the May 4, 2017 City Council agenda regarding setting a date to hold a strategic planning session before the July 20, 2017 budget workshop.

Consent Agenda

3. Approval of the minutes of the April 6, 2017 City Council meeting.

***MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Lawrence to approve the Consent Agenda as presented. The motion passed unanimously by a 7 to 0 vote.*

Regular Agenda

4. Consider calling a special City Council meeting for the purpose of canvassing the May 6, 2017 election results.

***MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Duke to call a special meeting for May 12, 2017 at 8:00 am to canvass the May 6, 2017 election results.*

5. Discuss the Capex Consulting Group Water and Wastewater Rate Study and Five Year Financial Plan and consider the methodology used to establish the proposed water and wastewater rates.

Jeff Snowden with Capex Consulting Group gave a presentation discussing the City's current and proposed debt obligation, customer account growth and anticipated growth, and the City's operating revenue, expense and proforma cash flow under existing rates. Mr. Snowden also compared the City's rate to surrounding cities and explained that the purpose of the study was to implement a rate plan that would enable the water fund to meet operating and capital expenditure requirements for a five-year period beginning in fiscal year 2017-2018.

The City Council discussed how Lucas compared to surrounding cities on their rates, the cost impact to the resident of proposed increased water rates, and the rate for out of city customers. The City Council also discussed consumption amounts versus usage, and the current below average rate being charged to commercial customers as compared to other cities.

The City Council directed staff to proceed with an increase to the residential water rate structure by five percent (5%) and increasing the commercial water and wastewater rate by ten percent (10%). The City Council also directed staff to maintain the current rate structure of 1.5 for minimum usage for out of City customers.

6. Consider adopting Ordinance 2017-04-00852 of the City Council of the City of Lucas, Texas, approving the Mid-Year Budget Adjustments for fiscal year beginning October 1, 2016 and ending September 30, 2017.

Finance Director Liz Exum briefed the Council on mid-year budget revenue and building permit trends, property tax and sales tax collection, expenditures to the water fund, available funds in reserve, and expenditure adjustments to the General Fund and proposed mid-year budget requests.

MOTION: A motion was made by Councilmember Fisher, seconded by Councilmember Lawrence to adopt Ordinance 2017-04-00852 amending the budget for fiscal year beginning October 1, 2016 and ending September 30, 2017 as submitted. The motion passed unanimously by a 7 to 0 vote.

Executive Session

The City Council may convene in a closed Executive Session pursuant to Chapter 551.071 of the Texas Government Code.


7. Executive Session.

An Executive Session was not held during this meeting.

8. Adjournment.

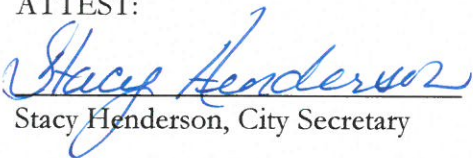
MOTION: *A motion was made by Councilmember Millsap, seconded by Councilmember Lawrence to adjourn the meeting at 8:22 pm. The motion passed unanimously by a 7 to 0 vote.*

APPROVED:



Jim Oik, Mayor

ATTEST:



Stacy Henderson, City Secretary

