



CITY COUNCIL
City of McLendon-Chisholm, Texas
Meeting Minutes
July 16, 2018

The City Council of the City of McLendon-Chisholm convened in Regular Session on Tuesday, July 16, 2018, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

Keith Short	Mayor
Adrienne Balkum	Council Member
Herman Larkin	Council Member
Scott Turnbull	Mayor Pro Tem
Jim Bloom	Council Member
James Herren	Council Member

Staff Present:	David Butler	City Administrator
	Lisa Palomba	City Secretary
	Jim Simmons	Fire Chief/Fire Marshal

1. Mayor Short called the meeting to order at 6:35 p.m.
2. Council Member Larkin delivered the Invocation and led the Pledge of Allegiance to the U.S. and Texas Flags.
3. Mayor Short announced the Rules of Decorum are in place and are to be observed throughout the meeting.
4. Citizen Comments. The following Citizens spoke:

Mike Donegan, 2620 Ridgelake Lane, commented regarding he hopes Council Members will resolve their differences; there is much to do and appreciates their diligence; City should seek the most qualified candidate for the City Administrator position; Council should focus on economic development for increased sales tax revenue and consider the major transportation routes through the City; don't wait for a developer; cited example of success of Davidson, North Carolina economic development and smart growth efforts.

Jody Wright, 1513 Borrolo, referenced the cancelled July 10, 2018 City Council Meeting noting that Council Members walking away from a meeting is inappropriate; objects to Council Member Balkum's use of City email to further her interests; and the proposed Fire Department Budget increase of over 30%.

Bud Wilder, 431 FM 550, asked when Council will answer questions being asked by citizens and referred to a Town Hall type of meeting.

Troy Reich, 441 Briar Glen, Fire Department items should be first on the agenda; inconsiderate to make citizens sit through a long meeting prior to discussing the Fire Department as it is the reason most people attend the meetings; suggested Council host an

open public forum; and acknowledged that Council Member Balkum admits the Fire Department Budget will require a tax increase to fund.

Wayne Orchard, 15 Greenhollow, commented that the last-minute cancellation of the July 10, 2018 Council Meeting could have been avoided; alternatives for remote access via videoconferencing for Council Members could have been sought; and the Fire Department proposed budget numbers represent a combined department budget.

Gary Nickel, 612, Kentwood Rd., important items such as the Fire Department matters should be placed first on the agenda.

Bob Herman, 1248 Wales Drive, budget is not transparent; too much spent on legal expenses; too much spent for CPA; the new Fire Department will cost more to operate and he was happy with MCVFD and a volunteer department is reasonable for a town the size of McLendon-Chisholm; the City's war with MCVFD is childish and he wants more transparency.

Lance Agee, 1509 Via Toscana, legal expenses too high; individual Council Members contacting the City Attorney is driving legal costs higher; objects to City resources being used to promote Council Member opinions; spent too much starting the Fire Department; trucks were purchased yet there is nowhere to keep them so the pumps will freeze in the winter; against metal fire station; Council should not be able to change the rules.

Trudy Woessner, 43 Fireside Drive, against Council Member using City email to promote personal opinion; City should revoke her password as it is abuse of power.

Beverly Stibbens, 279 Partridge Drive, admonished Council Members for not looking citizens in the eye when listening to speakers.

5. Approval of Minutes. Council Member Balkum, seconded by Council Member Larkin, moved to approve the June 19, 2018 City Council Meeting Minutes. A vote was cast and the motion carried with 5 in favor, 0 opposed.

Mayor Short moved to Item 16. Short requested that Chief Simmons and Murphy be permitted to complete their presentation without interruption and requested Council hold all questions until the end of the presentation.

16. McLendon-Chisholm Fire Rescue Department (MCFR) & McLendon-Chisholm Volunteer Fire Department (MCVFD) Budget and Merger Agreement Presentation – MCFR Chief Simmons and MCVFD Chief Murphy presented the proposed FY 2018-2019 Fire Budget and Merger Agreement.

Chief Simmons read his opening statement including: Simmons and Murphy have worked together to implement the creation of a municipal fire rescue that fulfills a commitment to provide the best fire and emergency response to citizens of McLendon-Chisholm and Fire District 22; shared vision has been, and remains, to be the "best of the best" when it comes to fire protection across Rockwall County; strives to provide the highest level of service consistent with the need at the lowest possible cost consistent with safety and assumed risk. Simmons singularly focused on how to rapidly stand-up a department based on recent partnership with Murphy; he sees an opportunity to move forward using a rational approach

that fulfills mission and vision of MCFR as stated on the City website: City Council asked Simmons to join the City as the Fire Marshal/Fire Chief to create the best solution for citizens; his approach was to find a solution that would heal the wounds of the recent past, preserve the legacy for exceptional operational services while maintaining the lowest tax rates; Simmons and Murphy reached an agreement that will meet complicated and often competing goals. Simmons and Murphy trust one another; both are committed to the success of City of McLendon-Chisholm and residents of Fire District 22. Simmons and Murphy held positive and productive planning work sessions regarding integration of MCFR and MCVFD including policy, staffing, equipment, budget and how to best preserve operational capabilities and readiness. Simmons and Murphy have almost 50 years of experience ranging from large city operations to rural fire response and understand best practices for the successful operations of a combined department that meets the immediate and future needs of McLendon-Chisholm and Mutual Aid Agreements with regional partners. Fire and emergency response is predictably complex and will involve the ability of the MCFR to coordinate and integrate with other first responder organizations. It requires committed and dedicated fire fighters, rigorous training, high quality equipment and seamless policies and procedures. Simmons' evaluation confirms the MCVFD is an exceptional organization staffed by committed men and women who will provide a foundation on which the MCFR will meet and hopefully exceed all expectations. Full integration is a complex task and will require time, thoughtful planning and actions to successfully complete. Simmons and Murphy charted a course to complete full integration no later than October 1, 2019. While focused on a final transition date, they agreed on a plan that is event driven which ensures success; agreed to a plan which can be accelerated as opportunities present to create a department that provides the best services while minimizing the operational and budgetary risks. Given the City has moved forward to purchase fire apparatus and equipment, Murphy will create a resource plan that optimizes array of technical capabilities once equipment is on hand. Simmons and Murphy need to finalize a staffing model and hiring sequence to staff the department. Simmons recommends a course of action that includes the official stand-up of the MCFR on October 1, 2018 as directed by Council. Under this agreement, as the McLendon-Chisholm Fire Chief, Simmons will have full range of policy and budgetary oversight and direction. Simmons' plan is to contract with the MCVFD to provide operational capabilities from October 1, 2018 until September 30, 2019. This date could be accelerated. Simmons recommends quarterly payments to MCVFD starting in October and extending to July 2019. Throughout transition, operational response will be the responsibility of Chief Murphy and MCVFD. Obvious benefits of this approach will alleviate the need to immediately construct a new fire station and will allow time to assess future needs of the department.

Simmons and Murphy presented information via PowerPoint relating to a proposed process for the merger of MCFR and MCVFD. The presentation included a plan development for integration; integration complexity; attorney's needed to represent both parties, legal issues with 501(C) (4) transfer; policy to begin combining department; integration of fire department fleet and equipment; creating favorable conditions for existing grant request and future grant applications; MCVFD properties; operations capabilities and readiness; will meet immediate and future needs of our community and Fire District 22; Teex grants status; Chief Simmons will oversee administration including budget oversight and prevention; Chief Murphy will oversee operations and training; requesting addendum to City contract with MCVFD to extend services from October 1, 2018 through September 30, 2018; budgetary control for personnel, training, management and operations; proposed quarterly payment of \$71,905 including County contributions; and complete integration no later than September 2019 with

full transfer of assets by October 1, 2019. The proposed combined budget was presented with a cost of \$430,727.51.

Benefits of the merger were discussed including eliminating the immediate need for a new fire station; MCVFD will remain eligible for TEEX grant; allows time to research ISO needs; and allows time to create an action plan to maintain and improve the over all ISO rating. The two Chiefs proposed that from now through March/April of 2019 research and assess all equipment, compliance with state and local laws; minimize risk to home and business owners. A staffing model was discussed to initially maintain the current staffing model including personnel; plan for equipment replacement such as bunker gear, SCBAs; rescue tools. Simmons expressed a need to create a 5 and 10-year strategic plan to guide City actions. Simmons closed his presentation while indicating he feels merging the departments will serve citizens the best; allows time needed to allow for transition of services; allows for immediate stand-up of MCFR and enables a creation of one department within 14 months or less.

Mayor Short opened the floor for discussion. Larkin commented the thoroughness of the work by the two Chiefs and commented the merger proposal saves the City money. Larkin also mentioned the current MCVFD firefighters would remain without benefits until 2019. Short asked questions about the timeline for transitioning. Simmons clarified the transitioning process including transfer of assets noting that some aspects of timing are beyond his control and noted the necessity of attorney review. Chief Murphy also confirmed the need for a one-year transition process according to MCVFD's attorney. The non-profit status of MCFVD is part of the reason for the lengthy process and trying to transition assets from the non-profit to the City. The intent is to keep the non-profit as a support/auxiliary group to the Fire Department.

Balkum asked, what is the holdup regarding standing up MCFR and questioned the need for such a long process. She also asked why the hiring process can't begin now. Balkum also questioned why the City would pay for a Chief of Operations. Simmons explained the structure of the proposed Fire Department. Balkum also noted that the City does not receive enough fire calls to warrant building the department on call volume.

Simmons assured Balkum that he and Murphy have accomplished much in less than two months and he wishes to produce the best service for Fire District 22. Murphy explained the current MCVFD schedule.

Balkum commented that Council can work with a \$329,000 budget and questioned why Simmons was not using the formula driven spreadsheets created by ESAC members and their presentation represents a 33% increase. Balkum asked if Simmons had help with the budget. Simmons indicated someone did help him write his opening statement. Simmons reiterated he feels this merger process is the best option for the City and that this budget is just a proposal.

Mayor Pro Tem Turnbull questioned Simmons about his ability to stand up MCFR without MCVFD and Simmons past promise to stand up the new department.

Simmons indicated it would be difficult. Anything put together would not be of quality and he feels the merger is the City's best option. Vehicles recently purchased were discussed. Balkum questioned City ownership of the two MCVFD stations.

Short asked questions regarding ISO rating. Simmons responded that the City will not automatically revert back to a higher rating. ISO ratings were further discussed. Short asked about the turn around time for getting gear cleaned and expressed concerns regarding the Hwy. 205 expansion noting the transition period would allow time to open communications with TxDOT.

Council Member Bloom commented regarding his appreciation for taking the time to prepare the budget and noted the complexities involved with the merger. Bloom also expressed concern regarding why vehicles were purchased if the plan was to merge the two departments. Simmons commented that the City is now committed to the trucks and equipment. The vehicles are lease/purchases and the loose equipment is being paid out of the current budget. Salaries of the current MCVFD staff were discussed. MCVFD salaries were discussed briefly. Bloom commented that Simmons is trying to respond to chaos that he didn't create and that the City took something that wasn't broken and broke it and now it needs repair. Bloom mentioned that Simmons has started fire departments before and asked if it was typical to have direct contact with individual Council Members. Simmons indicated that it is not typical and then generally the budget would be discussed first with Administration and then brought forward to a Council Work Session in which he would present and justify needed expenses prior to discussion at a Regular Council Meeting. Simmons commented that the City has an opportunity to build something great.

Council Member Herren made comparisons to the Royse City Fire Department Budget noting they are much larger than McLendon-Chisholm. Herren also expressed concerns regarding McLendon-Chisholm citizens subsidizing County calls and the issue of citizens paying more for fire service has not been resolved. Herren suggested Simmons bring back a solution for funding the unincorporated area of Fire District 22. Further discussion regarding how to supplement County funding and how to recuperate funds from people who are served by the Fire Department but who do not live in the City such as persons involved in traffic accidents just traveling through the City. Murphy indicated that most cities don't charge people who do not reside in the City and expressed concerns regarding ethical dilemmas in obtaining personal or billing information from people served. Further discussion was held regarding concerns of the merger actually taking place, fundraising efforts, and billing for incidents.

Bloom indicated he is in favor of the 2018-19 transition plan and wouldn't mind if it was even longer commenting that economic development could offset costs. He also mentioned the possibility of an Emergency Services District.

Mayor Pro Tem Turnbull expressed concern regarding too many fire vehicles and where to house them all. Discussion turned to possible location of a future fire station. Simmons and Murphy emphasized time needed to assess many aspects of the new department.

Insurance Services Organization (ISO) was discussed. Turnbull moved the conversation toward budget including minimal cost savings presented in the proposed budget and that it does not make sense for a city the size of McLendon-Chisholm to spend \$140,000 on fire

management. Turnbull then asked Simmons, if the Council chooses not to integrate, will Simmons be able to stand up MCFR by October 1, 2018. Discussion continued and Simmons indicated he could not stand up the station by October 1 or at least not to satisfactory quality without a station. Turnbull remarked that Simmons primary task all along has been to set up MCFR, expressed concern regarding receiving late budget numbers and the possibility of having an aerial apparatus in such a small city.

Turnbull, seconded by Balkum, moved to table the idea of integrating MCFR and MCVFD until budget review is further along and instruct Chief Simmons to work on setting up MCFR and table discussion on merger until budget numbers are available. Short asked for clarification regarding Simmons efforts on the merger plans. Turnbull indicated Simmons could return with more exact budget numbers as well as a more detailed timeline on the merger proposal.

Simmons asked for clarification. Turnbull indicated Simmons should work on the MCFR budget, hiring personnel, and a fire station.

Council discussion was held. Bloom indicated people who voted to hire the Chief and a City Dept are now questioning the costs and expressed concerns regarding Simmons being attacked by Council. Bloom indicated the motion should be to allow Chief Simmons to do his job and for Council to not contact Chief Simmons directly. Larkin said he was looking for the budget to show the difference between a City run and combined department and that Simmons achieved that and Simmons expertise points to integrating the departments over time. He is against the temporary structure.

Turnbull clarified his earlier motion to direct Simmons to move ahead setting up MCFR and put together a budget, make equipment purchase, move forward with seeking, but not hiring, employees, be prepared to operate by October 1, 2018 and secondary task is to continue working with Chief Murphy regarding combined budget and bring back answers to tonight's questions.

Further discussion was held by Council. Simmons indicated he could not move forward with hiring as City policies need to be redone and merging the department is the best decision for the City. Balkum indicated Simmons needed to use the spreadsheet with the formulas provided. Simmons indicated he is capable of developing his own budget without assistance. Further discussion was held on the matter.

A vote was cast and the motion carried with 3 in favor, 2 opposed (Larkin, Bloom).

Mayor Short recessed the meeting at 9:17 p.m.

Mayor Short reconvened the meeting at 9:35 p.m.

6. Planning & Zoning Commission and Board of Adjustment Alternate Appointments.

Brief discussion was held among Council Members regarding the number of open Alternate positions for each board and number of applicants.

Turnbull moved to appoint Jason Linscott and Sherri Klutts as Planning and Zoning Commission Alternates and Daniel Tucker as Alternate for Board of Adjustment.

Larkin seconded the motion. A vote was cast and the motion carried with 5 in favor, 0 against.

7. Employee Manual Amendment – Discussion and action regarding modifications to the Employee Manual/Handbook to define full-time employment, part-time employment, and intern positions. Definitions will include benefits available to each classification.

Turnbull commented the Employee Manual is out of date and the City needs to focus on this quickly, small general law cities are not required to pay benefits and are not subject to the Affordable Care Act. Turnbull suggested the City find a professional to rewrite the manual in the next 3-4 weeks. Council directed Palomba and Butler to move forward in contacting TML and the City Attorney with efforts to rewrite the handbook. Short asked for the current handbook definitions regarding full and part time employment. Turnbull noted inconsistencies regarding definitions. Palomba will provide a copy of the current manual and TML Employment Law Handbook but will move forward to find a resource for rewriting the manual and will bring back some options and costs for consideration.

Mayor Short moved to Item 11.

11. Animal Control. Butler indicated a study was done in January and no affordable services or facilities for animal control are available at this time but Staff will keep looking for options for per call animal control services. Short relayed his experience with contracted animal services and noted the expense and ineffectiveness. Issues with loose livestock and dogs and dog bites are a concern in the City. Council will have to determine expectations and acceptable costs. Bloom moved to strike the issue at this time.

8. City Vendor Interview Schedule. Brief discussion was held regarding Council interviewing current vendors. **Bloom, seconded by Larkin, moved to have vendor interviews. A vote was cast and the motion carried with 5 in favor, 0 opposed. Council directed Palomba to schedule vendors to appear before Council.**

Short moved to Item 12.

12. Council Member Photos. Council Member Balkum indicated that individual Council Member photos as well as a Council group photo is needed. Balkum will return with dates the photographer is available on a future Council Meeting night.

Short moved to Item 9.

9. Budget Adoption Process. Palomba provided an outline of budget topics and deadlines for the upcoming weeks for planning purposes. Turnbull indicated the fee schedule needs to be reviewed and suggested adding it to the schedule for July 24. Turnbull also requested the CPA show the offset of expenses such as fees for the City Planner offset by development fees.

Short moved to Item 15.

15. Resolution Rescheduling Council Meetings. Discussion was held among Council Members regarding rescheduling of Regular Council Meetings in conflict with Council Member Jim Bloom's Firefighter duty schedule. Various dates were discussed and proposed. **Bloom, seconded by Larkin moved to approve Resolution No. 2018-23A rescheduling Regular Council Meetings from August 14 to August 13, 2018; September 25 to September 24, 2018 and November 27 to November 26, 2018. A vote was cast and the motion carried with 5 in favor, 0 against.**

Mayor Short recessed the meeting at 10:27 p.m.

The meeting reconvened at 10:30 p.m.

Mayor Short moved to Item 10.

10. Web Audio Options for Public Meetings and Live Streaming/Video/Audio. This item was postponed to the next meeting.

Mayor Short moved to Item 14.

14. Statement by Council Member Balkum. This item was postponed.

Short moved to Item 13.

13. Brick Campaign Fundraiser. Balkum reminded Council that Members should be promoting the Veterans Memorial Brick Campaign. Bricks are created in batches of 50. Each brick is \$150. Balkum will create a press release for area media outlets.

Mayor Short moved to Item 17.

17. Reports

a. Financial Reports for May 2018. No additional comments.

18. Council Member Reports and Announcements

a. Mayor's Report and Announcements. No additional comments provided.

b. Council Member Larkin. No comments provided.

c. Council Member Turnbull. No additional comments.

d. Council Member Herren provided an update regarding the schedule for Hwy 205 improvements and the Hwy 549 planned expansion; turn lanes into Sonoma Verde; and remedies for increased accidents in front of the Rise on Hwy 205 may warrant a study.

e. Council Member Bloom. No comments.


f. Council Member Balkum discussed that a formula driven fire budget was not provided this evening. ESAC will hold a meeting to discuss; eblasts; and promoting the Veterans Memorial brick campaign.

19. Mayor Pro Tem Turnbull, seconded by Council Member Larkin moved to adjourn the meeting. A vote was cast and the motion carried with 5 in favor, 0 opposed. The meeting was adjourned at 10:43 p.m.

ATTEST:


Lisa Palomba, City Secretary

APPROVED:


Keith Short, Mayor

