



CITY COUNCIL
City of McLendon-Chisholm, Texas
Meeting Minutes
August 28, 2018

The City Council of the City of McLendon-Chisholm convened in Regular Session on August 28, 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 6.36 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 effect and are to be observed throughout the meeting.
4. Citizen Comments:

Mark Kipphut, 31 Fireside Drive, commented that the time has come to put the plan in place for operability of the Fire Department; a plan must be in place prior to next month's public hearing on the budget and tax rate; it will take time to prepare and execute those changes; and the issue must be resolved prior to October 1, 2018.

5. **Mayor Pro Tem Turnbull, seconded by Balkum, moved to accept the Minutes of August 6, 2018 as a draft only to allow time for further review. A vote was cast and the motion carried with 5 in favor, 0 opposed.**

Mayor Short moved to Item 12.

12. Public Statement by Council Member Balkum. Council Member Balkum provided the following statement regarding Insurance Services Organization (ISO) and related information:

[Begin Balkum Statement] "Serving as an elected official is an extremely demanding job. You know going in that you will be subjected to constant criticism as it is impossible to please everyone on every issue. As Council members we are charged with: representing

all of the City's citizens; identifying the needs of the City; and taking actions that benefit the largest number of citizens possible.

I wanted to take a moment to inform all of those who are receiving misinformation regarding ISO or PPC rating discussions.

The Public Protection Classification (PPC) system is used by the Insurance Services Office (ISO) to reflect a community's local fire protection for property insurance rating purposes. The public fire protection of a city, town or area is graded using ISO's Fire Suppression Rating Schedule to develop the community's classification. Our current town class rating was recommended by the State Fire Marshal's PPC Division to be a 4/9 over a 7/9 in 2012. ISO was invited to do an inspection in 2012. In 1999, McLendon-Chisholm was inspected and rated a 7/9. The first number of the split class 4/9 refers to the classification of properties within 5 road miles of a fire station and within 1000 feet of a credible water supply. The second number 9 of 4/9 applies to properties within 5 road miles of a fire station, but beyond 1000 feet of a credible water supply.

ISO is a New Jersey based advisory organization that serves the property and casualty insurance industry by providing inspection services, insurance coverage form development and statistical services. ISO classifies communities from 1 (the best) to 10 (the worst) based on how well they score on the ISO Fire Suppression Survey for Fire Department capabilities, water supply and distribution, receiving and handling fire alarms and certified volunteers – attending or teaching at the annual firemen's training school at Texas A&M University.

What does this mean to residents? This program recognizes the efforts of communities to provide fire protection services. Some insurance companies use the PPC information to help establish fair premiums for insurance. By offering economic benefits for communities that invest in their firefighting services, the PPC program provides additional incentives for improving and maintaining public fire protection. The PPC program also provides help for fire departments and other public officials as they plan, budget and justify improvements. The most significant benefit of the PPC program is. The better the fire protection, the lower the fire losses. This results in lower insurance rates. Which can be a little deceptive when you hear that wording...lower insurance rates. According to the Consumer Financial Protection Bureau (CFPB) the portion of a homeowner's policy made be called Hazard or Covered risks which often include damage to your home caused by fire and smoke, theft, vandalism, wind damage, civil unrest or riot, damage caused by the weight of snow, sleet or ice, explosions, etc. Remember not all insurance policies are the same and hopefully your coverages may help pay to reimburse you for damages that you may experience. So, when you hear that your ISO may go up I would definitely question the source. ISO has not been invited by any of the officials nor a fire chief for an inspection. Do we want an inspection? Yes. We absolutely do so that citizens may receive the financial benefit from a portion of your insurance policy that is if your insurance company uses ISO. Homeowner's insurance rates are driven by our area's claim experience. Our PPC can also be important, but there is no guarantee that they will use the information provided by ISO. That is a conversation that I would recommend for you to have with your agent or simply shop around.

Knowing that we are currently a 4/9 you may ask how can our community be reevaluated? Well, either a City Official or Fire Chief will send a letter to request ISO, or our PPC oversight representative with the State Fire Marshal's office. Most people's policies are annual so if there is an improvement you may not see the change until a year or longer. Texas Department of Insurance oversees ISO to assure that PPC ratings are accurate and fair. Our PPC Oversight Representative reviews each new classification rating within 30 days. If the new rating appears reasonable TDI authorizes ISO to publish it for use by insurance companies.

So, a couple of questions keep coming up and two of these questions were asked by Fire Chief Simmons to ISO: "If we are to merge MCVFD into the municipal owned department would we still maintain the 4/9 ISO rating?" If for some reason we weren't able to come to an agreement with MCVFD merging into the city and we build a brand new municipal owned fire department, would we automatically revert back to a 9/9 ISO rating due to no history?"

ISO's Regional Office said, "Please be certain there are no ISO procedures which "automatically revert back" any fire districts' ISO PPC classifications [and] I find this a common fallacy. Now there may be changes in PPC classifications per insurance policies simply because a policy was written initially incorrect or a fire district could retrogress PPC classifications no less than 21 months after an action plan was not successful.

This timeline includes one year to improve and the publication months involved and all begins with the fire district requesting a field survey."

I have personally been in conversations and learning from our PPC representative with the State Fire Marshal's office since the fall of 2017. They are very much aware of what we are going through. And I want to encourage all that ISO is not going to come to our city on their own to do an inspection. They have to be invited by an official or Fire Chief. I was told by the State Fire Marshal's office a number of factors to get us prepared and things to consider to be successful. And I'm thankful and I feel at peace when I was assured that we as a municipality that has agreed to adhere to TCFP standards that we have up to 2 years for an inspection. And if we need more time, then it is just a matter of communicating this is where we are and they want us to succeed so and are willing to work with us.

In the meantime, I am working with Verisk to obtain a no cost deployment analysis. At my request Verisk updated their records to include all of Sonoma Verde.

Please be sure to pick up a copy of the town class rating so that you may have it for your own records or if you are interested in learning how we scored back in 2012. It is also available on our website under the Administration Menu > [PPC Rating for McLendon-Chisholm](#)." **[End Balkum Statement]**

13. Public Statement by Council Member Balkum. Council Member Balkum provided a statement related to McLendon-Chisholm Fire Rescue (MCFR) Employment.

[Begin Balkum Statement] “Now that we have the SAFER Grant we should start a hiring process. I have been hearing a bit of push back of certain subjects and frankly, I’m extremely disappointed that once again a perception that politics is being played with our public safety is being projected to the Citizens of McLendon-Chisholm.

The City encourages those who are currently employed or volunteering with MCVFD to submit applications for employment and volunteerism with MCFR. It is my understanding that most or all have applied.

Does this mean MCVFD goes away? That decision can only be made by the members of MCVFD and the City has no opinion one way or the other.

Yes, we want to have a reasonably priced station that will meet the citizens and MCFR needs.

First in Fire Trucks have promised delivery of our apparatus in two weeks. Now it is up to Chief Simmons to hire, equip and familiarize experienced personnel to man those trucks on October 1.

As of last Friday (August 24), Fire Chief Simmons informed me that he has 30 applications for employment with MCFR. As I previously stated I am thrilled that these applications include MCVFD members. Based on discussions that I have had with multiple heads of other departments they tell me that those who have years of experience would not need extended training to become familiar and properly operate our equipment. Of course, the longer that our employees get to work together the more efficient of a team they will become.

On June 5, Chief Simmons requested that the Council sign a 3.5-month contract with MCVFD to provide fire protection services to allow ample time for Chief Simmons to equip and staff MCFR to operate on October 1, 2018. If the October 1 startup date is no longer viable, Chief Simmons will be asked to prepare a report explaining in detail why he was not able to meet his goal.” **[End Balkum Statement]**

Items 6 and 7 were considered together.

6. Interlocal Agreement with Rockwall County for Emergency Dispatch Services.

7. Interlocal Agreement for Fire Protection Services.

Items 6 and 7 were placed on the Agenda at the request of Commissioner Bailey. Bailey is now requesting Council postpone these items until a later date. **Larkin, seconded by Bloom, moved to postpone consideration of Items 6 and 7 until September 11, 2018.** No discussion was held. **A vote was cast and the motion to postpone was approved unanimously.**

8. Approval of Resolution No. 2018-27 Investment Policy. Turnbull moved to approve the Investment Policy as presented. Bloom seconded the motion. Turnbull asked Palomba if she made any changes to the Policy. Palomba indicated no changes were made. No discussion was held. **A vote was cast and the motion was approved unanimously.**

9. Resolution Adopting Personnel Policies. Mayor Short indicated Council needs additional time to review the policies and that the September 11 Agenda is already full. Short requested a motion to table the item. **Turnbull, seconded by Larkin, moved to table the item indefinitely.** Brief discussion was held. Herren suggested the item should be tabled to a specific date noting that the City needs policies in place if we are going to hire people. Short suggested September 17. **Balkum moved to amend the motion to September 17.** Turnbull responded that even though the Agenda is full, the item should be added to the September 11 Agenda. **Turnbull moved to amend his motion to table the item to September 11. Balkum seconded the amendment to the motion. A vote was cast and the motion to table the item to September 11, 2018 carried with 5 in favor, 0 opposed.**

10. Fiscal Year 2018-2019 Budget Discussion and Direction to Staff. Larkin suggested Council needs to schedule another meeting to vote and provide definitive direction to staff as to whether Council is going with a combined fire solution or standup MCFR alone. Larkin proposed a special meeting next week to discuss the fire options commenting that he feels Council's hands are tied and the Fire Chief's hands are tied. Turnbull called a Point of Order noting the item is not on the agenda for discussion but as long as two people request the meeting, the Mayor can call it. A supermajority will need to be present for a special meeting. Larkin indicated that he specifically asked if he could make that motion to hold a special meeting and was told that it would be okay as it was related to the budget. Herren asked if any action is required this evening regarding the Budget. Palomba responded that no action is required tonight and added that public hearings to receive input on the budget and tax rate are scheduled for September 11 and a second public hearing on the tax rate is scheduled for September 17. Mayor Short commented that he understands the concern and need for a special meeting regarding the direction of the Fire Department. **Short indicated he will call a special meeting Wednesday at 6:30 p.m.** concerning fire protection including the two local agreements if he can reach Commissioner Bailey regarding the two agreements. Brief discussion was held regarding if Wednesday will work for everyone. Balkum can't make it. Monday is a holiday, Tuesday will not work for everyone due to work schedules. An HOA meeting is scheduled for Thursday evening. Larkin indicated he is available all next week. Bloom indicated he is unavailable Tuesday and Friday. Short commented that he will have to call the meeting for Wednesday and asked Council Member Balkum if she could join the meeting by videoconference. Balkum replied it would be chaotic. Short indicated he still needs to call the meeting for Wednesday.

11. iCompass Proposal. Discussion and action regarding authorizing the City Secretary to enter into a Service Agreement effective November 1, 2018 with iCompass Technologies Inc. for agenda management and related software and services. Palomba informed Council that no action is required but she placed the item on the agenda for consideration because iCompass is having a promotional savings opportunity until the end of August with add on items such as audio and video streaming offered at half price. All agenda management software including records management software, audio/video streaming and action tracker software may now be obtained for \$10,500. This saves approximately 25 percent off the original proposed price. Discussion was held regarding the timeframe for implementation of software. Turnbull moved to obtain a contract from iCompass and have the Mayor sign. Balkum seconded the motion. **A vote was cast and the motion carried with 5 in favor, 0 opposed.** Bloom asked about purchasing a

camera. Palomba indicated a camera will have to be purchased but that iCompass provides an encoder. **A vote as cast and the motion carried unanimously.**

Mayor Short moved to Item 14.

14. Reports. Reports were provided to Council for informational purposes.

- a. Financial Report for July 2018
- b. Building Official Report for July 2018
- c. Rockwall County Sherriff Activity for July 2018
- c. McLendon-Chisholm Volunteer Fire Department and EMS Activity for July 2018

Bloom asked questions regarding the Financial Report including the water bill. Palomba indicated the amount was underestimated when budgeted and new landscaping was planted that required additional amounts of water. No other comments were made.

15. Updates, Discussion and Direction to Staff:

- a. Employee Policies
- b. Fire Station Site Plan, Platting and Permitting
- c. Veterans Memorial Brick Campaign Fundraiser
- d. Council Member Photos
- e. Code of Ordinance Updates
- f. City Council Member requests for future agenda items

Turnbull asked about the fire station property plat. Butler indicated the surveying is complete and the plat is being completed at this time. Turnbull requested that staff provide a status for all open items on all future agendas.

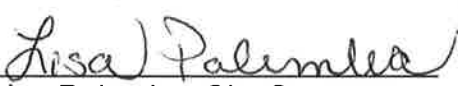
16. Council Member Reports and Announcements

- a. Mayor's Report and Announcements
- b. Council Member Larkin -
- c. Council Member Turnbull – Budget, Finance and Investment
- d. Council Member Herren – Roads and Transportation, Economic Development
- e. Council Member Bloom – Economic Development
- f. Council Member Balkum – Communications, Community Engagement, Emergency Services Committee

Mayor Short mentioned the Town Hall Meeting will follow tonight's regular meeting. Turnbull asked about the bond redemption resolution. Palomba indicated the resolution would be on the September 17 agenda for Council consideration. Balkum indicated that RCH provided a water map. Other maps are being gathered for GIS purposes.

There being no further business, the meeting adjourned at 7:19 p.m.

ATTEST:


Lisa Palomba, City Secretary



APPROVED:


Keith Short, Mayor