



CITY COUNCIL
City of McLendon-Chisholm, Texas
Meeting Minutes
September 26, 2018

The City Council of the City of McLendon-Chisholm convened in Special Session on Wednesday, September 26, 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 (via teleconference)

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

1. Mayor Short called the meeting to Order at 6:37 p.m.
2. Mayor Short 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

Beverly Stibbens, 279 Partridge Drive, stated that in April she contacted City officials about the fire station situation which she was told would be taken care of or they would be held responsible. She then pointed out that there are four days from the expiration of the agreement. She stated that if anything happens and there is no body to respond on October first all the Council will be in a lawsuit.

Lance Agee, 1509 Via Toscana, asked a few rhetorical questions such as how many firefighters the City has hired, where they City fire trucks are, and if the City can put out a fire on October first. He believes that the City should write a check to MCVFD and protect the City for the 2018-2019 fiscal year. He then added that if someone dies as a result of their action the City will be bankrupt and Council's families will be bankrupt.

Mayor Short moved to Item 7

7. Agreement for Fire Protection Services and Integration

Mayor Short asked if Chief Simmons or Mr. Paschall had any more information they would like to share on the topic.

Mr. Paschall stated that the most recent information he has is the contract provided by the Volunteer Fire Department. He added that he has not seen any indication from the Volunteer Fire Department that they are willing to sign anything other than the latest contract presented to the City.

Mayor Short asked if Council had any questions.

Council Member Larkin asked if they received feedback on the legal clauses. For example, 5.1, 5.3, and 10.3.

Mr. Paschall stated he did and if he wants to know the specifics, he can share those with him.

Council Member Larkin responded that he would like to hear more.

Mr. Paschall stated with respect to paragraph 5.3 their counsel did not agree that the City Attorney will represent MCVFD. Mr. Paschall agreed with that and stated he believed he had just been there to prepare documentation, so they may choose to alter the wording to state that the City Attorney will help prepare documents on behalf of the City. There is also a provision that the Fire Chief can transport MCVFD assets and they would like it approved by the association. The last disagreement was with respect to specific performance. This allows a party to compel another party to do what they want them to do as opposed to awarding damages. Also, the provisions "time is of the essence" and "can be enforced by specific performance" have been stricken.

Mayor Short asked what happens if the phrase "time is of the essence" is not there.

Mr. Paschall responded that the purpose of the phrase is to emphasize the importance of the dates and that the dates cannot be ignored.

Mayor Short clarified that the phrase adds more strength to the target dates. He then asked if that ties into the "specific performance" phrase in 10.3.

Mr. Paschall responded that is correct.

Mayor Short asked if Mr. Paschall had said earlier that he agreed with Mr. Dodd on 5.3.

Mr. Paschall stated that he agreed with Mr. Dodd that one attorney cannot represent two parties. It was never my or the Council's intent to say that he represented the City.

Mayor Pro Tem Turnbull read a portion of the document and asked if that was not clarification enough that the Council had no intent of having Mr. Paschall represent both sides.

Mr. Paschall stated he believed it was clear, but if they would like to make it clearer, they could do that.

Mayor Pro Tem Turnbull asked if there was any disagreement about the cap being put on legal services.

Mr. Paschall stated Mr. Dodd and I had a telephone conversation and sent emails and the cap was discussed but he does not recall opposition or rejection of it.

Mayor Pro Tem Turnbull asked if they rejected 5.1.

Mr. Paschall stated that it was.

Mayor Pro Tem Turnbull asked what the rejection was based on.

Mr. Paschall stated it he did not discuss why with him. However, he recalls Mr. Dodd asking why it was included. He added that it is not Mr. Dodd who makes the decisions but his client.

Mayor Short asked if this merger contract was signed tonight if Chief Simmons would be in charge.

Mr. Paschall replied that he feels it becomes less clear that is the case without 5.1.

Mayor Short stated that he would think Chief Simmons is still the senior man on deck to be in charge, but he can see it being argued both ways. He added that he does not see anything that states the MCVFD Chief retains full control of everything.

Mr. Paschall stated that he also believes it does not say that.

Mayor Short commented that he would think the Fire Chief for fire rescue would be in charge either way if integration was accepted.

Mayor Pro Tem Turnbull stated he agrees with the Mayor that based on 4.4 A and B, that 5.1 may not be necessary. He then asked if it would be better to include more clarity.

Mr. Paschall responded that a lawyer always prefers clarity to avoid a trip to the courthouse.

Council Member Bloom asked if they have any reason to think that Chief Murphy is intent on running this department.

Chief Simmons replied no.

Council Member Larkin stated that they need to make a choice tonight and currently he feels there are four options. First, sign the document as submitted on the 24th. Second, say no to the merger and proceed to stand up their own department, though he feels this will leave citizens unprotected for a great amount of time. Third, extend the current contract with MCVFD for a period while they work more on the merger. Fourth, to let the Fire Chief build the department and extend the contract for a year. He added that he feels that they are

rushing into something that is going to cause a lot of problems and they need some more time to work things out.

Council Member Balkum stated she took the time to write down verbal exchanges at the Commissioner's Court yesterday. She then read some of what she felt were highlights from the meeting. She then added that the merger was a nice idea, but she now feels like it is time to do their due diligence to set up MCFR. Yesterday's meeting answered the question as to who will respond to fire calls until it is set up. She understands there are some concerns such as the time it will take as well as the radio frequencies, but she believes they can get through those. She added that she feels there has been too much back and forth and that they are trying to get them to go back to how things were before where they paid millions of dollars to contract it out to a volunteer group. She added that if the unincorporated area wants MCVFD to service them than she feels the City should let them.

Mayor Short thanked Ms. Balkum for her comments. He then reminded Council that originally, they had given Chief Simmons authority to negotiate, but during the process the Council has reinserted themselves into the process. Then the attorneys got involved and then Council reinserted themselves again. He added that earlier this month there was an agreement that both attorneys agreed to but the Council decided they were the legal experts and diced up what the legal experts had done.

Council Member Balkum asked which document the attorney's agreed on.

Mayor Short responded he did not know which one, but it was one earlier this month. He reiterated that Council had reinserted themselves several times and changed things up after Fire Chiefs and Attorneys have done their due diligence. He added that they are the experts and not the Council and Council should be relying on them.

Council Member Balkum asked if Mayor Short could ask Mr. Paschall if he was involved with the contract on September 5th that Council had in our packet.

Mayor Short responded that she can ask him.

Council Member Balkum reworded the question and directed it to Mr. Paschall.

Mr. Paschall responded that it is possible there is one that came to Council that he did not see, but he supposes that he had seen all of them before they came to Council. He added it would take him some time to tell her if he had any direct input in that specific document though.

Council Member Balkum responded that there is no way he was involved with the one from September 5th. It was bad.

Mr. Paschall replied that he does not recall the particulars of it but there was an agreement floating around that he had not had any input on.

Council Member Balkum stated that she wanted to clarify that the Mayor was incorrect in stating that Mr. Paschall had been involved with the September 5th documents.

Council Member Bloom responded that the Mayor never specified the September 5th version.

Mayor Short asked Ms. Balkum to pay closer attention to what members of the Council say. He reiterated there is a problem with Council reinserting themselves into work that Chief Simmons and the Attorneys are doing. He added that if any of them feel they can do their jobs better than the Fire Chief and City Attorney than he will fire both and give them their jobs.

Mayor Pro Tem Turnbull commented that both the City Attorney and the Fire Chief serve at the pleasure of the Council and the Mayor would not have the authority to dismiss them tonight even if he wanted to. He stated that they had given Chief Simmons the primary focus to stand up MCFR and a secondary focus to negotiate MCVFD. He added that he does not feel anyone has denied Mr. Simmons anything or told him to do things differently when it comes to fire safety. He stated that he is not sure what sort of position the City would be in if they do not use the Staffing for Adequate Fire and Emergency Response (SAFER) Grant they accepted, but he is not sure it would work with the suggestion earlier to extend their contract with MCVFD. He clarified again that he does not think that options to extend the contract with MCVFD are available. He then asked Mr. Paschall if the reason for 10.3 was because without it the only option would be to seek monetary damages.

Mr. Paschall stated that is just the customary remedy, but in this contract, it specifies that neither party are entitled to monetary damages. If there was a dispute that required court intervention specific performance would still be sought.

Mayor Pro Tem Turnbull asked if they remove 10.3 and leave 10.2 what are their options to enforce the contract. He then asked if they would need to step into an Executive Session.

15. Mayor Short recessed the meeting into Executive Session at 7:23 p.m. As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session in order to see confidential legal advice from the City Attorney.

16. Mayor Short called the meeting back to order at 8:20 p.m.

17. Mayor Short stated no action was taken as a result of the Executive Session. He then stated they would take a five-minute recess.

Mayor Short called the meeting back to order at 8:24 p.m. and clarified they were still discussing item number seven.

Council Member Bloom stated that he feels that they are making a big decision tonight that will impact the City and its citizens this year and for years to come. He feels not going with the merger will burden their neighbors and would be a bad use of their money. He added that he does not feel that 90 days is enough for them to build a fire department that meets their own City's codes and the list goes on and on. Their own families will be at risk and they cannot expect MCVFD to help them out for any length of time without compensation. He also does not feel that the MCVFD has a desire to take advantage of the City and he pleaded

with Council to make a decision not based on fear but facts. He then specifically made and appeal to Mr. Herren to vote for the merger.

Mayor Pro Tem Turnbull stated that he liked the agreement they sent to them originally but not with the stricken items they sent back since that leaves the City at risk. He added that contracts are there to determine how things should be handled should a dispute arise even if that is worst case scenario. The City has made a good effort and he feels the items they disagree with are simply there to protect the City and should mean nothing to the other party unless they try to breach the contract. He added that Mr. Bloom and Larkin have stressed that they need to trust MCVFD, but he does not feel that they are being trusted in return. His feeling now is they should go with the position stated in July to have Chief Simmons stand up MCFR. However, he does not feel they need to stop talking to MCVFD and feels something could still be worked out. He added that he also feels they need to stop confusing the issue with Mr. Simmons since he needs to be running the Fire Department.

Council Member Larkin stated that he agrees with much of what Mr. Turnbull said but he has a fundamental difference and that is to protect the City. To him the City and the people are one and if he is not protecting them, he is not doing his job. He added that the people have said what they want, but Council keeps trying to reason that they know more than them, and while that is sometimes the case, he does not believe it is now. The agreement as it is presented may decrease their leverage in a legal proceeding, he does not feel they are at risk because he believes in MCVFD.

Council Member Larkin motioned that they approve the contract that was sent to Council on September 24 by MCVFD as written without any of the modifications Council sent back. Council Member Bloom seconded the motion. He mentioned that he feels this could be a positive step and it is a solid contract. He added that it is absurd to say that they are not doing it for financial reasons when they then discuss to spend money and delay service and lose the benefit of station one and TxDOT. He concluded that he is fully in support of signing it as is.

Mayor Short asked for any further discussion. He then called for a vote. **A vote was cast and the motion failed with 2 in favor, 3 opposed (Balkum, Herren, Turnbull).**

Mayor Pro Tem Turnbull asked if it is appropriate for Mayor Short or Mr. Paschall to reach out to the other side and see if there is interest in further negotiations. He would recommend Mr. Paschall, but he does not know what his thoughts are on that.

Mayor Short asked Mr. Paschall if that would put him in a conflict.

Mr. Paschall responded that it would not. He added that the only clarification he needs to provide is when clients retain counsel like MCVFD and the City it is proper for the attorneys to talk to each other, but he could not talk directly with the other side's council, so he would certainly speak with Mr. Dodd.

Mayor Pro Tem Turnbull asked the Council if they wish to give that instruction to the City Attorney.

Council Member Bloom stated he does. He would like the communication to continue. He then asked since they have decided not to have the City protected by fire service as of Monday if they need to continue a discussion as to what their plan is in the near future.

Mayor Short stated they are on agenda item number seven, which that would not fall under.

Mr. Paschall stated that he thought there was something on the agenda that it would fall under.

Discussion was made on which item it might fall under. It was concluded that it would fall under item number ten.

Mayor Short asked a for a motion to discuss item number ten.

Council Member Balkum motioned to discuss item number ten. Mayor Pro Tem Turnbull seconded the motion.

10. McLendon-Chisholm Fire Rescue Budget 2018-2019.

Mayor Pro Tem Turnbull stated he built a budget based on the SAFER grant to show what the City's costs would be and Chief Simmons' numbers to figure out annual operating expenses. The number he came up with was \$345,207 which is \$10,000 over this year's budget. However, they can decrease the needed budget by purchasing items such as the five sets of bunker gear with this year's budget funds. He added that he would recommend Staff contact Community Leasing and see if they could prepay next year's payments with this year's funds as well if there is enough available. He believes there is an excess of \$126,841 in this year's budget not including a \$30,000 reimbursement. He then asked if they already had the reimbursement money or if it was sitting in escrow.

Palomba responded that they decided to pay cash for it and did not roll it into Community Leasing.

Mayor Pro Tem Turnbull asked how much the document for community leasing is.

Palomba responded that she did not have that in front her.

Mayor Pro Tem Turnbull stated it was originally \$162,500 which covered the trucks and bunker gear and would mean they still have \$30,000 waiting to be written to the City. Mayor Pro Tem Turnbull asked if she was saying the amount of the lease is not what they have been using and the payments are not \$58,000 a year.

Palomba stated it is whatever the agreement states.

Mayor Pro Tem Turnbull stated he would defer to her on that, but that she needs to check because he believes there is a pay-back clause in it, which is what Council approved. He clarified that if the document they signed stated \$162,500 there should still be \$30,000 sitting in escrow.

Council Member Bloom asked Mr. Turnbull if he said the total is budget is approximately \$345,00 for year one.

Mayor Pro Tem Turnbull responded he believes it is \$345,207.

Council Member Bloom how is it only \$10,000 adding a temporary structure.

Mayor Pro Tem Turnbull stated now this was done based on salary and Chief Simmons operating cost and he did not include the temporary structure.

Council Member Bloom responded that he did at one point.

Mayor Pro Tem Turnbull replied not on his last budget, but they did include the fire truck payment.

Council Member Bloom asked what the total expense for a stand-up fire department is. \$572,000 is one he saw estimated, but he feels that number is probably low.

Mayor Pro Tem Turnbull stated that Mr. Bloom is asking him to provide numbers that he has not calculated. He added that he calculated that the same way Mr. Simmons did in his last budget to show that the expense to the City would be higher than what his budget showed due to miscalculations of worker compensation and cost of Texas Municipal Retirement System (TMRS). He added that it would take him a while to recalculate it.

Council Member Bloom stated that they voted tonight knowing there would be an increase in costs. And he has an idea that it is \$572,000 including the SAFER Grant and that is a significant cost no matter what part of the budget it is coming from. He added that he has concerns about the temporary and new station meeting their requirements.

Council Member Bloom asked if the \$345,000 includes the \$126,000 surplus from this year.

Mayor Pro Tem Turnbull responded that it is not included.

Council Member Bloom commented that they can apply the \$126,000 to any deal they get including a merger.

Mayor Pro Tem Turnbull stated if the money is not spent by September 30th it goes into the general fund. He added that they can use the \$126,000 to buy things like bunker gear. They can also put the balance of that, if there is any, into a construction fund and apply that to the cost of the new building. His advice to Council would be to alleviate strain on next year's budget by buying equipment with any left-over funds.

Council Member Bloom stated that he feels the money would have been better used than by buying things that they could have gotten for free. They will need to find a way to fund all this and he does not like that they are using the surplus on unnecessary expenses. He added that there are still many expenses not accounted for.

Mayor Pro Tem Turnbull asked if he answered Ms. Balkum's questions.

Council Member Balkum asked where Community Leasing was listed and if they need to change it to \$162,500.

Mayor Pro Tem Turnbull asked where she saw the change.

Council Member Balkum responded she is asking if they need to add it in there for Community Leasing.

Mayor Pro Tem Turnbull asked which budget and what she wants to add.

Council Member Balkum responded the Community Leasing where the payments listed.

Mayor Pro Tem Turnbull stated capital expenditures \$58,000 for next year's lease payments.

Council Member Balkum asked if it says \$132,105.

Mayor Pro Tem Turnbull clarified that is the total. He said that number is for operating expenses, bunker gear and truck payments.

Council Member Balkum asked what they are missing now.

Mayor Pro Tem Turnbull stated this is using Chief Simmons operating expenses and so the bunker gear would need to be moved or bought this year and if they have the funds, he would recommend prepaying next year's truck payments.

Palomba stated she believes they discussed that with Community Leasing and they can do that.

Mayor Pro Tem Turnbull stated he had not gotten a straight answer on that. He requested that when he made the recommendations, but he does not know if that is an option. He clarified that he knows they can prepay the entire amount but if they pre pay \$50,000 he believes it comes off the backend unless it explicitly says they can prepay one of their six month payments.

Council Member Balkum asked if they can use this public safety budget as a good reference.

Mayor Pro Tem Turnbull responded based on what he sees them doing tonight they could take the \$16,000 for bunker gear and possibly the fire truck fee out, which would drop the cost below the current Public Safety budget of \$335,000.

Council Member Bloom commented that must be incorrect. He then asked Mr. Turnbull to explain how that will cover all the costs that are going to be incurred for the new fire department. I think we need to be a 100% transparent for the citizens.

Mayor Pro Tem Turnbull responded that he has already answered your question once. He added that he already admitted it does not include a building payment and the cost for a temporary structure if necessary, but both those would be under the Capital Expenditures budget and not Public Safety.

Council Member Bloom responded that they need a budget for all of this. He added that even if the cost is coming from another line item or a different budget it is still the cost of public safety. He feels this is a huge concern and they cannot push it to the side.

Mayor Pro Tem Turnbull stated again if you can give me an item, he has left off he will address it.

Council Member Bloom stated that this was not his idea.

Mayor Pro Tem Turnbull responded that he did not care if it was his idea. He then reiterated that if he asked an explicit question, he would provide an answer if he could.

Council Member Bloom stated he would accept his answer as he had no idea what he voted for.

Mayor Pro Tem Turnbull responded that is not what he said.

Mayor Short reminded them that that sort of bickering is not aloud. He added if an item falls under another part of the budget than state it that way.

Council Member Larkin asked Chief Simmons if certain tools were included in the items he already purchased.

Chief Simmons responded they were not.

Mayor Short asked what the approximate cost would be for the tools just mentioned.

Chief Simmons responded \$5,000 - \$7,000 for a used set.

Council Member Balkum clarified that he said between \$5,000 - \$7,000. She then asked how long it would take to get one and if it would take many months.

Chief Simmons responded it would not take many months.

Council Member Balkum stated we should include that for this year.

Mayor Pro Tem Turnbull stated that he would be spending part of the \$126,000 remaining from the 2017-2018 budget on that item.

Mayor Pro Tem Turnbull stated the only thing he said about the 5 sets is it would come out of the 2018 budget. He is fully aware that it would be around \$33,000 for ten sets.

Chief Simmons responded for 15 sets it would be \$48,435.

Mayor Pro Tem Turnbull responded that you would not necessarily have to buy the additional five.

Council Member Balkum asked if there is anything else they are missing.

Council Member Bloom stated he is not sure there is a plan for the Cascade System. He asked Chief Simmons if he knew approximately how much those cost.

Chief Simmons responded he was not sure but possibly around \$20,000.

Council Member Bloom stated there is a typo. Mr. Turnbull's budget has \$4,000 for fuel and not \$5,000 like Chief Simmons, which he was copying from.

Mayor Pro Tem Turnbull stated this was not the budget that he copied his information from.

Chief Simmons stated that this was simply a reference the actual budget was provided to council weeks ago.

Council Member Larkin stated that he realizes they are talking about the fire budget, but it is also part of the overall budget and they have had hearings on the tax rate that would support that budget. He clarified that the reality is they cannot go above that budget, so he does not feel they can approve a fire budget that would exceed it. He added that their revenues are capped, and he does not believe in deficit budgeting and cannot believe anyone on the Council does. He realizes that there may have been a bit of a cushion, but he also feels there are some expense that are not there as well. He suggests that they set the fire budget to something that fits within the overall budget and work with that.

Council Member Balkum stated that the reason she put this on the agenda many weeks ago is not because she had the intention of raising taxes but that she wanted to target the Fire Budget and Public Safety budget which she felt needed to be address.

Council Member Larkin clarified that he was not implying that was Ms. Balkum's intention.

Council Member Bloom stated he would like to make a motion that Council is provided a complete budget for the entire effort. He feels the numbers need to be transparent if we are going to do this for both tax payers and us.

Council Member Balkum asked what he means by transparency.

Council Member Bloom responded that he feels there would be some expectation for budget number on all of it and those numbers should be provided to the Council no matter what line item they fall under.

Council Member Balkum commented that when we are talking about the numbers it is to be prepared to set aside for enough for the next budget because if it is not used it goes back into the general fund. She then asked Mr. Turnbull if that was correct.

Mayor Pro Tem Turnbull responded whatever the surplus is at the end of the year will roll in to the general reserve fund.

Council Member Balkum stated that she feels they are just trying to use that remaining budget, so they do not overspend the budget for Public Safety. She added that she does not disagree that they need to have all the numbers.

Council Member Bloom stated he would have thought that those numbers would have been known by people who had supported this.

Mayor short stated there is a motion on the floor and asked for a second. Council Member Larkin provided a second to the motion.

Council Member Balkum stated she is not sure she understands the motion. She added that she thought Chief Simmons had a version of the cost for a stand-alone minus the radios.

Council Member Bloom asked if they are looking at the \$519,000 then.

Council Member Balkum responded that is Chief Simmons estimate.

Council Member Bloom commented that they have two different numbers and he is not sure which one they are focusing on.

Council Member Larkin stated that they are supposed to be discussing the budget from October 1, 2018 to September 30, 2019 and they are involving a lot of things that they want to purchase with this year's budget and he feels that may be out of order since it is not on the agenda. He added that Mr. Bloom's desire to know the real cost is on point but this agenda item he is not sure they can discuss that which is why he was hesitant to second the motion.

Mayor Short asked if Mr. Bloom is wrong in what he is asking.

Butler stated the Mayor gets to make the final call as Chair of the meeting, but he understands that it is regarding all aspects of the Fire Budget. **He added that you also have item ten for the overall budget. He suggested that they could combine those items and discuss them both at once.**

Mayor Short stated he feels it should be discussed and he respects what he is asking. He then asked Mr. Bloom to state his motion again.

Council Member Bloom stated he would like to make a motion for Council to receive a full accounting of all expenses related to standing up our own fire department. Council Member Larkin second the Motion.

Mayor Short opened the floor for discussion on the motion.

Mayor Pro Tem Turnbull asked who he would like to design the budget.

Council Member Bloom stated Mr. Turnbull already has a start on it so I would suggest him.

Mayor Pro Tem Turnbull asked if he was going to delay action on the regular budget till this was done.

Council Member Bloom responded that he is not suggesting delaying it but he does not feel that it can be done without it. He added that he does not understand the question.

Mayor Pro Tem Turnbull stated they have two days and they must pass the budget tonight or have a special meeting to pass the budget. He then asked if Mr. Bloom is suggesting delaying a decision on the total budget to receive this document.

Council Member Bloom responded that he is not sure how they can approve the budget without knowing what that budget covers.

Mayor Pro Tem Turnbull stated that budgets are guidelines is one way of looking at it. He added that currently they do have a projected surplus for next year and purchasing things this year also effects what they will have next year. He feels that by moving things around appropriately they will not affect next year's budget as much as Mr. Bloom is concerned.

Mayor Short asked if there was any more discussion. He then called for a vote. **The motion failed with 2 in favor, 3 against (Balkum, Herren, Turnbull).**

Mayor Pro Tem Turnbull stated that with Chief Simmons assistance he will update the budget tomorrow and send it out to the Council. Added that they need to find out about the \$162,500 they financed.

Ms. Palomba responded that she saw \$162,500k but she believes they made a cash deposit and did not expected to be reimbursed for that.

Mayor Pro Tem Turnbull stated they should have only written a check for \$120,000.

Council Member Balkum asked Chief Simmons if this is what you have currently, and you will have to make some correction.

Chief Simmons stated that he would have to make some corrections to the stand alone.

Mayor Pro Tem Turnbull stated that \$126,361 is what the balance due on the three trucks was. That is what this was financed for and the bunker gear and an airbag were added on top of that. He then asked what the total cost was for that.

Chief Simmons responded about \$7,500

Mayor Pro Tem Turnbull commented basically \$10,000. He added that is \$26,139, but he does not believe that was the total cost.

Chief Simmons stated that was to cover the three trucks the, the one set of gear, and one airbag. There is an additional change order for plugs they needed to put on the trucks which were only a couple thousand dollars.

Mayor Pro Tem Turnbull responded that adding all that gear up and rounding it up comes to about \$11,000. He added that there was \$4,000 above what they financed, and they need to find out where that money is.

Palomba stated that this budget has been sitting in her office since August 24th and she is not comfortable changing it at the last moment. She asked if they would feel comfortable approving it and if we need to come back in a month and amend that they can do that.

Mayor Pro Tem Turnbull stated he is perfectly fine with that. That is what he was going to recommend. He added that he just did this to verify the labor costs and he will have to get with Chief Simmons and figure out the missing items.

Council Member Bloom stated they are only missing if we were not to merge.

Mayor Pro Tem Turnbull replied that he understands that, but as of right now they are not so for this budget purpose they must move ahead that way. If they do than hopefully Mr. Paschall can help them do that and they will have a surplus, which is never a bad thing.

Council Member Bloom stated asked if they included the costs of the cascade system, bunker gear and radios.

Mayor Pro Tem Turnbull stated that he has not.

Council Member Bloom responded they are around \$100,000 for those things so maybe they should bump it the budget up to \$435,000.

Council Member Balkum stated that he mentioned that he needs to go back and add some expenses, so she thinks that is fair.

Chief Simmons commented there are some things they will go back and add.

Council Member Larkin asked what the projected revenue excess at the end of the year. He clarified for 2018-2019 not last year's budget.

Council Member Balkum responded it is \$114,000 surplus.

Council Member Larkin stated based on what they heard could they up the Public Safety budget \$100,000 which would keep them in the tax budget they created but would still have that money in case they need it.

Mayor Pro Tem Turnbull commented that he would put at least \$60,000 into Capital Expenditures instead of Public Safety. He added that if we have that surplus, they can come back next month and change the budget, so the right numbers are where they belong. He then asked if there are any other questions on the budget he put together.

Palomba asked if she can have a copy of his budget.

Mayor Pro Tem Turnbull stated that he will email one to Palomba.

11. Budget for Fiscal Year Starting October 1, 2018 and Ending September 30, 2019

Mayor Short asked for a motion regarding the proposed budget for the fiscal year starting October 1, 2018 and ending September 30, 2019

Mayor Pro Tem Turnbull moved to approve the Budget for the Fiscal Year Starting October 1, 2018 and Ending September 30, 2019. Council Member Balkum seconded the motion.

Mayor short asked for discussion on the motion.

Council Member Larkin stated I would like to see line item 430 up by \$40,000 for additional expenses to stand up the Fire Department. Then line item 700 alter that from \$32,000 to \$92,000. To provide 60,000 for structure or other capital expenditures that may come up. He clarified that would be adding \$100,000.

Mayor Pro Tem Turnbull stated he will modify his motion to accept Mr. Larkin's amendments as stated. Council Member Balkum seconded the motion.

Mayor Short asked for any more discussion.

Council Member Herren stated he was fine with what was said.

Mayor Short stated if there is no further discussion the will take a roll call vote.

Adrienne Balkum, yea, Herman Larkin, yea, Scott Turnbull, yea, Jim Bloom, nay, James Herren, yea.

The motion carried to approve the Budget for the Fiscal Year Beginning October 1, 2018 and ending September 30, 2019 as modified with 4 in favor, 1 opposed (Bloom).

12. Tax Rate for Fiscal Year starting October 1, 2018 and Ending September 30, 2019

Mayor Pro Tem Turnbull motioned that the property tax rate be increased by the adoption of the tax rate of 0.150000 which is effectively a 4.31% increase in the tax rate and that the ordinance levying this tax rate be approved. Council Member Balkum seconded the motion.

Mayor short asked for discussion. There being none, he called for a roll call vote.

Adrienne Balkum, yea, Herman Larkin, yea, Scott Turnbull, yea, Jim Bloom, yea, James Herren, yea. The Motion to approve the property tax rate of 0.150000 was approved unanimously.

13. McLendon-Chisholm Fire Rescue Vehicle Estimated Time of Arrival

Mayor Short explained that Chief Simmons would be presenting on this item.

Discussion was made on if Chief Simmons update on the status report would violate regulations. It was decided that it would not. Chief Simmons stated that as the delivery of the engine should be this Friday and the last two vehicles October fifth.

Mayor Short thanked Chief Simmons for the update.

14. McLendon-Chisholm Fire Rescue Administration

Council Member Balkum stated this was related to giving the staff direction to prepare the paperwork if the integration was going to take place.

Mayor Short stated they will remove item 14 from the agenda.

Mayor Short recessed the meeting at 9:54 p.m.

The meeting reconvened at 10:04 p.m.

Mayor Pro Tem Turnbull motioned to reschedule a special meeting next week to a time that is convenient for all members and if that does not work to postpone all the items to the next scheduled meetings. He added that feels items 18,19, 20 and 21 will take a fair amount of time and could use their own meeting. Council Member Bloom seconded the motion.

It was concluded the third would work best for most members.

Council Member Bloom stated he is still not sure of the purpose behind having a special meeting.

Mayor Pro Tem Turnbull stated that it is for time.

Mayor Short asked for all in favor on having a special meeting on the third. A vote was cast and the motion carried with 3 in favor, 2 opposed (Larkin, Bloom).

Mayor Pro Tem Turnbull clarified the special meeting is only for agenda items 18,19,20, and 21. He then motioned to table the rest of the agenda to the regular scheduled meeting on October ninth. Council Member Bloom seconded the motion A vote as cast and the motion carried unanimously.

8. Interlocal Agreement for Fire Protection. Tabled.

9. Interlocal Agreement with Rockwall County for Emergency Dispatch Services. Tabled.

18. Job Position Descriptions. Postponed to Oct. 3.

19. Salary Scale for City Jobs. Postponed to Oct. 3.

20. Resolution Adopting Personnel Policies. Postponed to Oct. 3.

21. Ordinance for Agenda Preparation. Postponed to Oct 3.

22. Printed Error Claim by a Citizen who Attended Town Hall Meeting. Postponed to Oct. 9.

23. Council Member Reimbursement. Postponed to Oct. 9.

24. Reports. No discussion was held.

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

25. Updates, Discussion and Direction to Staff. No discussion was held.

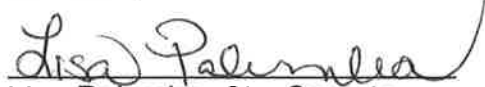
- a. Fire Station Site Plan, Platting and Permitting.
- b. RFP for Trash and Recycling.
- c. City Map Updates.
- d. Veterans Memorial Brick Campaign Fundraiser
- e. Code of Ordinance Updates.
- f. City Council Member requests for future agenda items

26. Council Member Reports and Announcements. No discussion was held.

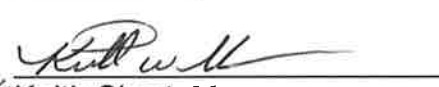
- a. Mayor's Report and Announcements
- b. Council Member Larkin –
- c. Council Member Turnbull – Budget, Finance and Investment
- d. Council Member Herren – Roads and Transportation, Economic Development
- e. Council Member Bloom – Economic Development
- f. Council Member Balkum – Communications, Community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

27. Mayor Short adjourned the meeting at 10:12 p.m.

ATTEST:


Lisa Palomba, City Secretary

APPROVED:


Keith Short, Mayor

