



CITY OF FULSHEAR

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CITY COUNCIL MINUTES JULY 30, 2013

I. CALL TO ORDER

A Special Workshop/City Council Meeting was called to order by Mayor, Thomas C. Kuykendall, Jr., at 6:51p.m. on Tuesday, July 30, 2013 at the Irene Stern Community Center located at 6920 Katy Fulshear Road, Fulshear, Texas and all citizens were welcomed.

II. QUORUM

A quorum was present stated Mayor Kuykendall.

City Council Members Present:

*Thomas C. Kuykendall, Jr., Mayor
Stephen Gill, Mayor Pro Tem
Larry Beustring
J. B. Collins, Jr.
Laverne Patterson
Jeff Roberts*

City Staff Present:

*D. (Diana) Gordon Offord, City Secretary
C. J. Snipes, City Administrator
Michelle Morris, Building Inspector
Kristina Brashear, Finance Director
Cheryl Stalinsky, Economic Development Director*

Others:

*Gwen Fox
Ella Banks
Viola Randle*

III. WORKSHOP

A. DISCUSSION of FISCAL YEAR 2013-2014 GENERAL FUND BUDGET

Mayor Kuykendall stated that C. J. Snipes, City Administrator, would introduce the proposed budget for Fiscal Year 2013-2014 and that he and Kristina Brashear, Finance Director has worked up a great synopsis of where we are with this years' fiscal budget and for the upcoming fiscal year.

Mr. Snipes provided a hand-out for each Council Member. Ms. Snipes stated he would start with packet marked without capital items. Mr. Snipes stated that our revenue today is about three (3) million dollars. Mr. Snipes stated that the City has received considerable more revenue

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from the ad valorem taxes, sales tax, and fees and inspections due to the development at Cross Creek Ranch and Fulshear Creek Crossing. Also, the kick-off of some commercial development has assisted with City's revenue higher than anticipated. We are at a 103 percent of revenue and 76 percent of expenditures. This has left us with a very healthy bottom line. We should finish the year somewhere about a million dollars above revenue. We have two amendments for tonight. We would like to move some capitalized items into this year's budget instead of the next year's budget.

Mr. Snipes, City Administrator, stated that our current tax rate is 20.3 but it appears we might go back to the rollback rate of 16.3 and the same time have increased revenue due to the growth. This means the rate is reduced yet we will be increasing the revenue. It comes from a \$150 million dollar valuation increase this year. Our population count in year 2012 was 2400 and now we are at 4925. This year we feel reasonable confident as the protest numbers have gone from 30 percent to 4 percent (previous years the protest numbers been like 35-30 percent). Next year, we are projecting a modest eight percent in growth. Mr. Snipes stated that we projected for the current budget about 350 new homes and already this figure is 402 and we are not at the end of this years' budget year. Cross Creek representative has stated to Mr. Snipes that they expect to do 600 new homes next year. We re-structured the fee schedule at last City Council Meeting so figures are not reflected in these numbers.

Mayor Kuykendall asked Michelle Morris, Building Inspector, regarding the accuracy when projecting numbers for the budget. Ms. Morris stated it was getting better but it is still difficult. Michelle Morris, Building Inspector, stated it would be helpful to have a system which would allow for more accurate data. The current system staff finds difficult in tracking information needed to project accurate figures for budgeting purpose.

Mr. Snipes stated that we have located a program that should help us and will talk about later in the meeting. Mr. Snipes stated we anticipated health growth but not the fire sale that is going on right now. Our plat review fees are twenty percent higher than anticipated. Mr. Snipes states we need to look at building a good base as five to ten years from now this window will close and we will be depended on ad valorem and sales tax. Mayor Kuykendall stated we do not want to extended ourselves too far especially when you hear about cities like "Detroit" going bankrupt. Mr. Snipes stated that Kristina can speak as to our general fund balance.

Kristina Brashear, Finance Director, stated that our General Fund balance is 2.7 million dollars. She stated of this amount only 566 Thousand dollars have been committed to street maintenance.

Mr. Snipes continued with the overview for the upcoming budget. He that non-departmental items is largest budget item. For the street maintenance expenditures the amount of \$525,00 and expect to be right on target. We expect the amount of rebate about the same yet we will have increase revenue from tax valuation. Mr. Snipes the rest of budget consistence what we had last year. We have included a line item expense for \$2200 for vehicle maintenance. We like to change the 2009 charger from the Police Department to city-wide use.

Mr. Snipes stated we would now move to General Administration budget. Mayor Kuykendall stated that we do not have specific details at this time here (position by position). We have to be sensitive to the completion for our employees relative to other cities as we continue to grow. Mayor Kuykendall stated

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that C.J. has put together a salary survey. We have some ideas on trying to keep the City of Fulshear competitive with salaries of the area for other municipal employees. Plenty of qualified employees are harder to challenge each day for the qualifications we need, the certifications we need. Some positions we only have one person and we want to try to keep the employees we do have. Mayor Kuykendall stated that it is a huge time commitment and effort to go out and get interviews. Mayor Kuykendall stated that Jeanette (Court Clerk) is leaving and we have been able to replace her but it took two rounds of interviews for her but not every skill that we were looking for but they can do the job and had the certification. Mayor Kuykendall stated it is a very competitive market and we will be bringing additional information for your consideration.

Mr. Snipes stated that the auditing fee will probably be \$30,000 because we are constantly growing and changing. We are budgeting for legal fees of \$115,000 as the law firm will be increasing their hourly rate by \$10.00 and this is the first increase in seven years. We increase our line items cost for development but most of those are recaptured at a later time. We have brought in 10,000 new acres since January. Elections usually cost about \$3500.00 and this year we did not have to use it. However, next year we are participating in two elections (one for elected officials) and a second one for a charter if approved by Council. Emergency Management budget remains the same. Mr. Snipes stated the new court clerk hired in at a little higher salary since her credential was higher than Jeanette.

Mr. Snipes stated that we are moving toward online payments. He asked Kristina Brashear, Finance Director, to outline the process for Council. Ms. Brasher stated the system would be used by the tickets and that she really needed to look at the agreement again to give a detail explanation regarding fees.

Mr. Snipes stated that next year's budget would include language training. When we lost Jeanette we lost our interpreter. He stated they look for someone for the position but guess it was not big enough of a carrot. He explained that when the Building Permit staff moves, there will be no bilingual individual at City Hall. He stated about 30 percent of the clientele is Spanish-speaking only.

Mr. Snipes stated for the Community Development, we will be adding one desk and a I-Pad. In addition, we will be adding training to refresh the staff added to that department.

Mr. Snipes stated we now discuss the General Facility budget. We have cleaning here at City Hall and at the Irene Stern Community Center but we also anticipate moving the building department and the maintenance department into a new City Hall annex so that will increase the cost.

Mr. Snipes identified obtaining furniture, new phone system, new software system for building permit, obtaining new folding chairs and table for the Community Center, replacing the air condition system here at the center as it is on its last leg, and also the ceiling tiles can no longer be found so ceiling needs to be re-done here at center too, and security system for City Hall. Mr. Snipes also stated we would be adding weather alert to the blackboard alert system and that cost would be about \$2500.00.

Mr. Snipes stated that the next biggest item is the potential City Annex. He asked Michelle to explain. Ms. Morris stated that they looked at several places. Michelle Morris stated the new space has adequate office space for growth along with plenty of storage space. There is enough room so that the Building Maintenance Director can have an office. Ms. Morris stated they are taking furniture from City

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Hall so only small items will be needed such as microwave, refrigerator, etc. Ms. Morris stated that we would be getting the space at a great price.

C.J. Snipes shared the overall needs for the Police Department. This budget includes salary increase for two new officers. There is a need to purchase 3 vehicles. There is also increase fuel cost. Also, Chief Seymour has requested two additional officer in next year's budget. (Tires alone will cost \$1200 per vehicle). There will also be an increase in maintenance for these vehicles and equipment for these vehicles.

Mr. Snipes stated other items that increase expenses to the budget such as street stripping in Cross Creek Ranch plus concrete work is needed in some areas. Also because of continues growth we have request for street lights.

Mr. Snipes states for the Maintenance Department, it is planned to promote both John and James (who are currently part-time) to fulltime and hiring an additional two part-time staff. We need an additional cell phone plus a short wave radio so Jerone can connect with the guys in the field. Also, additional equipment is needed such as tool chest for the vehicles, tools for Jerone. We also have some capital expenses to include a truck which cost about \$18,500.00 and C-turn and the cost is about \$12,000.00. Alderman Collins asked about repair of the trailer in the back of City Hall. Ms. Brasher stated it will require license tags, new tires, and few other minor repairs.

Also, we are looking at hiring an additional building inspector due to the anticipation of 1,000 units being constructed by developers which includes 600 single family dwellings, multi- family complex, and the three small developments.

Alderman Collins asked about affordable housing as most of the homes coming in are around \$500,000.00. No one had any answer. Mr. Snipes stated due to price of land in the area, no one can offer affordable housing.

Mr. Snipes stated we are looking at purchasing a new software system for Building Permit office called "Main star" and cost about \$18,000.00. This will give us a better accounting system. For example, an inspection is completed in the field by the City inspector and he can put it on line where developer can check from his own computer whether the inspection pass or fail without having to call the City office at 5:00 p.m. to find out the result of the inspection(s). Michelle Morris stated that the developer will be able to pay for a re-inspection on line as well as order a re-inspection. Ms. Morris states we will be able to take picture(s) at the site and upload to our office and respond appropriately. This system will allow the Building Permit Department to be more efficient.

We are also looking for a new phone system for City Hall because the current phone system loses calls which if very frustrating for staff as well as for the Callers to City Hall. We are planning to get at least four lines.

Alderman Collins was concerned about standing water after a rain at City Hall and the Post Office. Ms. Brashear stated the problem here at City Hall can be resolved if the parking lot is opened at other end where the street goes all the way through.

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Mr. Snipes talked a little about the bond participation. Not known at this time what will be required. He also gave an update on Street maintenance for the Bois D' Arc area and Wallis Street.

Mr. Snipes suggestion to move some of next year's capital expenditures to this year's budget since we are going to finish this year's budget so healthy. He would like the police units, software system for building permit office, phone system, and the air conditioning for the Stern Center and the new annex in this year's budget.

Mayor Kuykendall asked if there were any other questions regarding the budget and requested that each Council Member review the budget further. He thanked all the staff for their assistance regarding coordinating proposed budget.

No action was taken.

IV. BUSINESS

A. CONSIDERATION and POSSIBLE ACTION to APPROVE CITY'S PARTICIPATION in PROPOSED FORT BEND COUNTY ROAD BOND PROJECTS

Mayor Kuykendall stated that he was unable to get a hold of anyone with the County to check on the proposed Mobility bond. He stated that Commissioner Meyer deserves a lot of credit as he really extend himself to get FM 1093 project approved. There was about a five minute discussion on this item.

A motion was made by Alderman Gill to table City's participation in proposed Fort Bend County Road Bond Project for further information. It was seconded by Alderman Collins. The motion was carried by the following vote:

Ayes: Alderman Beustring, Collins, Gill, Roberts, and Alderwoman Patterson

Nays: None

B. CONSIDERATION and POSSIBLE ACTION to APPROVE ORDINANCE No. 2013-1106 an ORDINANCE of the CITY of FULSHEAR, TEXAS, REPEALING and REPLACING ORDINANCE NO. 2013-1103 an ORDINANCE GRANTING to SEAWAY CRUDE PIPELINE COMPANY, LLC, the RIGHT, PRIVILEGE and FRANCHISE to LAY, REPLACE, MAINTAIN, and OPERATE ONE THIRTY INCH (30") PIPELINE in the CORPORATE LIMITS and the EXTRA-TERRITORIAL JURISDICTION and CONDITIONS UNDER WHICH SAID RIGHT, PRIVILEGE, and FRANCHISE is GRANTED

A motion was made by Alderman Gill to approve Ordinance No. 2013-1106 an ordinance of the City of Fulshear, Texas, repealing and replacing ordinance no. 2013-1103 an ordinance granting to Seaway Crude Pipeline Company, LLC, the right, privilege and franchise to lay, replace, maintain, and operate one thirty inch (30") pipeline in the corporate limits and the extra-territorial jurisdiction and conditions under which said right, privilege, and franchise is granted. It was seconded by Alderman Beustring. The motion was carried by the following vote.

Ayes: Alderman Beustring, Collins, Gill, Roberts, and Alderwoman Patterson

Nays: None

C. **CONSIDERATION and POSSIBLE ACTION to APPROVE ORDINANCE NO. 2013-1107 an ORDINANCE of the CITY of FULSHEAR AMENDING ORDINANCE NOS. 2012-1082 and 2013-1090 an ORDINANCE AMENDING; BEING an ORDINANCE APPROVING and ADOPTING the CITY'S GENERAL BUDGET for FISCAL YEAR 2012-2013, by APPROVING "BUDGET AMENDMENT II"**

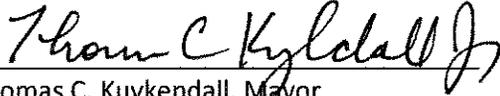
A motion was made by Alderman Gill to approve Ordinance No. 2013-1107 an ordinance of the City of Fulshear amending Ordinance Nos. 2012-1082 and 2013-1090 an ordinance amending; being an ordinance approving and adopting the City's General Budget for fiscal year 2012-2013, by approving "Budget Amendment II". It was second by Alderman Beustring. The motion was carried by the following vote.

*Ayes: Alderman Beustring, Collins, Gill, Roberts, and Alderwoman Patterson
Nays: None*

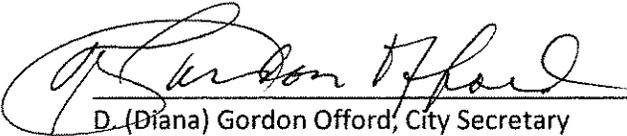
V. **ADJOURNMENT**

A motion was made by Alderman Collins to adjourn at 8:12 p.m. It was seconded by Alderwoman Patterson. The motion was carried by the following vote:

*Ayes: Alderman Beustring, Collins, Gill, Roberts, and Alderwoman Patterson
Nays: None*


Thomas C. Kuykendall, Mayor

Attest:


D. (Diana) Gordon Offord, City Secretary