

Minutes
Hurst City Council
Work Session
July 28, 2018

On the 28th day of July 2018, at 7:40 a.m., the City Council of the City of Hurst, Texas, convened in a Work Session at Hurst Conference Center, 1601 Campus Drive, Hurst, Texas, with the following members present:

Henry Wilson	)	Mayor
David Booe	)	Mayor Pro Tem
Bill McLendon	)	Councilmembers
Jon McKenzie)	
Cathy Thompson)	
Cindy Shepard)	
Larry Kitchens)	
Clay Caruthers	)	City Manager
Allan Heindel	)	Deputy City Manager
Rita Frick	)	City Secretary
Steven Niekamp	)	Police Chief
Steve Bowden	)	Executive Director of Economic Development
Matia Messemer	)	Executive Director of Human Resources
David Palla	)	Fire Chief
Greg Dickens	)	Director of Public Works
Clayton Fulton	)	Executive Director of Fiscal and Strategic Services
Malaika Marion	)	Executive Director of Administration and Customer Services
Billy Keadle	)	Assistant Police Chief
Paul Brown	)	Managing Director of Finance
Joni Baldwin	)	Budget Director
Gini Connelly	)	GIS Manager

With the following members absent: None, constituting a quorum; at which time, the following business was transacted:

Call to Order – The meeting was called to order at 7:56 a.m.

1. City Council briefing, review, and discussion for multi-year planning including legislative discussion, preliminary FY 2018/19 budget review, budget issues and challenges and strategic priorities.

City Manager Clay Caruthers provided a brief overview of the planning agenda and expressed excitement for the opportunity to work with the Council through the planning process. He reviewed the City's strong financial position and outlined various future challenges.

Mayor Wilson provided an overview of key legislative issues presented at the recent Texas Municipal League Board of Directors meeting. Council discussed strategies for the need to make decisions based on what is good for the City. That what is good for one City, is not necessarily good for another City. Mayor Wilson reviewed the new slogan proposed by the Texas Municipal League "Our Home Our Decisions" and City Manager Caruthers reviewed how staff typically processes legislative items.

Executive Director of Strategic and Fiscal Services Clayton Fulton provided a brief overview of the City's Fund Accounting System including Governmental Funds, Proprietary Funds and Fiduciary Funds. He noted the General Fund and Enterprise Fund account for 80% of the City's annual operating costs. Mr. Fulton reviewed budget challenges and opportunities including economic challenges nationally, internationally and locally. Staff also reviewed preliminary fiscal year 2018-2019 budget options for Council discussion at the August 18th budget work session including a cost of living adjustment and supplemental budget item recommendations. Reviewed were changes in revenue sources, noting the continued decrease in court fines and loss from the senior tax freeze. Staff provided a summary of the July Certified Values, and reviewed tax rates, tax rate change to dollars, supplemental recommendations and recommendation to restore sales tax reserves.

Council discussed Hurst's tax rate history, sales tax revenue and economic conditions, and future impacts from possible legislation.

Mayor Wilson recessed the meeting at 9:55 a.m. and reconvened at 10:11 a.m.

City Manager Caruthers introduced Lewis McLain, who reviewed information regarding the structure, governance and control of the City's water and sewer system, including the stakeholders involved and state and federal regulations. Mr. McLain discussed the service cycle, ratemaking considerations, including infrastructure life cycle, customer class, weather factors, and the need to cover wholesale costs. Staff provided an overview of peak usage controls and the impact to the City's wholesale rate if not managed efficiently; noting wholesale costs have essentially doubled in the last seven to ten years. Staff reviewed area cities' rates, the true value proposition of a penny per gallon and the impact of a 1.5% rate increase.

Executive Director of Human Resources Matia Messemer provided a brief overview of employee compensation and benefits. Ms. Messemer noted the City offers very competitive benefits and reviewed the three-prong structure for retirement and strategies to maintain future costs. Staff spoke regarding the expectations of employees, the Good to Great philosophy and leadership development. Also reviewed were health care challenges, the city's health care structure and strategies to address rising costs.

Mayor Wilson recessed the meeting at 11:40 p.m. and reconvened a 12:07 p.m.

Deputy City Manager Allan Heindel provided a brief overview of the half-cent Community

Development Fund reviewing major factors impacting the multi-year financial plan ending balance. He explained the fund continues to perform well particularly regarding parks and recreation. City Manager Caruthers noted the fund is debt driven, and will remain in existence as long as the City is servicing the debt. Staff also briefed Council on the Anti-Crime half-cent sales tax fund, and the limited capacity available.

Executive Director of Strategic and Fiscal Services Clayton Fulton and Executive Director of Economic Development Steve Bowden provided an economic update and trends regarding sales tax and business growth in Hurst and nationally. Staff updated Council on Northeast Mall Management meetings and future redevelopment possibilities. Discussed were budget constraints for future economic development agreements and various types of agreements. City Manager Caruthers advised Council of legislative changes to the alcohol to food ratio sales requirements at the state level and the new state regulations will be presented to Council for consideration. Mr. Bowden discussed possible future redevelopment areas and noted that all, but two, of the catalytic areas in the redevelopment study have some type of current planning activity.

Mayor Wilson recessed the meeting at 1:32 p.m. and reconvened at 1:44 p.m.

City Manager Caruthers reviewed recent department reorganizations, which actively address the recommendation of the redevelopment plan. He noted the plan suggests a face of redevelopment and connection to the community, while also measuring statistics to help build coalitions with neighborhoods. He stated as part of the reorganization, GIS Manager Gini Connelly, who also has a background in planning, will be assisting the Planning Department. He introduced Gini, who provided a presentation of maps displaying statistical data, including capital improvements, code enforcement activity, CDBG Project areas, changing demographics and the mixed-use zoning overlay adopted in 2004. Discussion ensued regarding opportunities to utilize GIS tools in partnership with the newly restructured planning and code enforcement departments.

Assistant Police Chief Billy Keadle and Fire Chief David Palla briefed Council on public safety challenges and initiatives including homeless, DUI enforcement issues and changes in crime reporting, which may increase the crime rate statistics by two to three percent. Chief Palla noted the fire department's major issues involve staffing and financial concerns related to overtime and staffing requirements. Also discussed was a recent focus by the fire profession on cancer and the firefighting profession. Chief Palla stated the department is focusing on the importance of safety measures and proper equipment. Chief Palla also noted staff's desire for a future initiative to maintain the historical look of Fire Station 3, while remodeling the restrooms and adding a bay for taller apparatus. City Manager Caruthers noted a discussion with Chief Palla regarding shift schedules and overtime, and his belief the proposed budget will address some of the issues.

Executive Director of Public Works Greg Dickens provided a brief overview of street conditions and proposed street improvements with bond funds. He reviewed the recent street survey and ratings system noting methods available to maintain streets at an acceptable level. City Manager Caruthers noted the fiscal balance of keeping pace with infrastructure needs and redevelopment plans.

Executive Director of Customer Service and Administration Malaika Marion Farmer briefed Council on staff's development of a proposed brand refresh and outlined the overall communications philosophy, structure, audience and platform. City Manager Caruthers stated this was an item for a council work session as were the alcohol beverage ordinance, redevelopment tools and zoning, communications and marketing and Council brainstorming.

City Manager Caruthers noted a recent letter from the Bellaire Shopping Center General Manager regarding the Artisan requesting City support for the arts and the community through the Artisan Theatre. Staff met with Artisan representatives and the landlord of the Bellaire Shopping Center regarding possible assistance to allow time for visionary planning for the arts.

He stated staff will present this item to Council during budget discussions. Council discussed the need for the Artisan and to understand that any arts initiative is considered a community asset.

2. Informational Items – Items of Community Interest and review of City Council calendar of meetings. No items were presented.

EXECUTIVE SESSION in Compliance with the Provisions of the Texas Open Meetings Law, Authorized by Government Code, 551.072 deliberate the purchase, exchange, lease, or value of real property (Animal Control Shelter) and to reconvene in Open Session at the conclusion of the Executive Session.

Mayor Wilson recessed the meeting to Executive Session at 3:19 p.m. in compliance with the provisions of the Texas Open Meetings Law, authorized by Government Code, 551,072 deliberate the purchase, exchange, lease, or value of real property (Animal Control Shelter) and reconvened open session at 3:47 p.m.

Adjournment – The meeting adjourned at 3:48 p.m.

APPROVED this the 14th day of August 2018

ATTEST:


Rita Frick, City Secretary

APPROVED


Mayor Henry Wilson