

**City of Hurst  
City Council Minutes  
Tuesday, August 28, 2018**

On the 28<sup>th</sup> day of August 2018, at 6:30 p.m., the City Council of the City of Hurst, Texas, convened in Regular Meeting at City Hall, 1505 Precinct Line Road, Hurst, Texas, with the following members present:

Henry Wilson	)	Mayor
David Booe	)	Mayor Pro Tem
Bill McLendon	)	Councilmembers
Larry Kitchens	)	
Jon McKenzie	)	
Cathy Thompson	)	
Cindy Shepard	)	
Clay Caruthers	)	City Manager
Allan Heindel	)	Deputy City Manager
John Boyle	)	City Attorney
Rita Frick	)	City Secretary
Duane Hengst	)	City Engineer
Clayton Fulton	)	Executive Director of Strategic and Fiscal Services
Malaika Marion	)	Executive Director of Administration and Customer Service
Kara McKinney	)	Public Information Officer
Joni Baldwin	)	Budget Director
Joe Villa	)	Service Center Manager

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

The meeting was called to order at 6:30 p.m.

Mayor Pro Tem David Booe gave the Invocation.

The Pledge of Allegiance was given.

**PROCLAMATION(S) AND PRESENTATION(S)**

1. Proclamation recognizing September as "Hunger Action Month". Councilmember Shepard read the proclamation recognizing Hunger Action Month and presented the proclamation to Tarrant Area Food Bank Executive Associate Director Charles Boswell.
2. Presentation of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. Executive Director of Strategic and Fiscal Services Clayton Fulton reviewed the criteria to receive the Distinguished Budget Award noting this is the 30<sup>th</sup> consecutive year Hurst has received this award and there are approximately 36,000 municipal units in the United States with only 1,600 participants in the Budget Award Program. Mr. Fulton read a few of the comments from the reviewers and recognized

Budget Director Joni Baldwin for her work on the budget.

**CONSENT AGENDA**

3. Considered approval of the minutes for the August 14, 18, and 21, 2018 City Council meetings.
4. Considered Resolution 1710 ratifying the actions of the Community Services Development Corporation.
5. Considered Ordinance 2388, second reading, adopting the Crime Control and Prevention District budget for fiscal year beginning October 1, 2018 and ending September 30, 2019.
6. Considered Ordinance 2389, second reading, amending Hurst Code of Ordinance, Chapter 2, Article X. Senior Citizens Advisory Board, Section 2-252, amending membership.
7. Considered Ordinance 2390, second reading, amending Hurst Code of Ordinances, Chapter 2, Article IX. Neighborhood and Community Advisory Committee, restricting the composition of members, redefining the term of appointment and meeting schedule.
8. Considered Ordinance 2391, second reading, amending Hurst Code of Ordinances, Chapter 24, Section 24-14 and 24-15 by renaming the Traffic Safety Commission and restating the duties, quorum, meeting dates, and staff liaison of the commission.
9. Considered Ordinance 2392, second reading, amending Hurst Code of Ordinances, Chapter 5, Article IX, Section 5-354 – Historic Preservation Committee by amending the composition of members, restating meeting dates, quorum and staff liaison.

Councilmember Booe moved to approve the consent agenda. Motion seconded by Councilmember Kitchens. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, McKenzie, Thompson, and Shepard

No: None

**PUBLIC HEARING(S) AND BUDGET RELATED ITEM(S)**

10. Conducted a Public Hearing to consider the budget for fiscal year beginning October 1, 2018 and ending September 30, 2019.

Mayor Wilson announced a public hearing to consider the budget for fiscal year beginning October 1, 2018 and ending September 30, 2019, and recognized Executive Director of Strategic and Fiscal Services Clayton Fulton who presented a budget and hearings video prepared by the fiscal services and marketing team. Mr. Fulton reviewed the budget development process beginning and ending with citizen input and engagement during the Town Hall meeting, Council's Strategic Planning Session, then staff's preparation of the budget for Council and citizen input. Also reviewed were Citizen Survey comments noting 90% of citizens responding were satisfied with the

quality of life in Hurst. Mr. Fulton noted a total operating budget of \$76.9 million and reviewed the budget calendar noting the second public hearing on the tax rate will be September 4, 2018. He stated the proposed General Fund budget totals \$37,045,966, representing a 2.98% increase. Mr. Fulton reviewed the Municipal Cost Index (MCI) noting, on average, the City is just slightly below. Mr. Fulton reviewed where the money comes from with the largest portion being the consumption tax. He explained the ad valorem and sales tax makes up the largest share of the budget. Mr. Fulton noted 75% of sales tax collections goes to the state and over 50% of property tax collected goes to the school district. Mr. Fulton explained the tax rate is a two-part rate composed of the Maintenance and Operations (M&O) proposed rate \$0.471551 and the Interest and Sinking (I&S) proposed rate of \$0.108449 for a total proposed tax rate of \$0.580000. Mr. Fulton reviewed the Tarrant Appraisal District appraised value for a 10-year history and the tax rate history, revealing over \$25 million in property tax savings since 1992 by the Council lowering the tax rate in fiscally strong years. Reviewed were the Hurst property tax relief exemptions compared to other cities in northeast Tarrant County. Mr. Fulton noted \$1.4 billion in value that is not subject to the City's property tax, which is \$6.7 million back to the citizens. Mr. Fulton illustrated the great value of City services, including street maintenance, public safety, parks, library, aquatics and recreation at approximately \$2.31 a day by comparing it to how consumers spend their dollars in the private market, such as a cup of coffee for \$5.24. Mr. Fulton noted the overlapping tax rates on the tax bill noting the city's portion is approximately 21% of the total bill. He also reviewed sales tax receipts noting 76% of sales tax goes to the State of Texas, 12% to the General Fund, 6% to the Anti-Crime and 6% to the Community Development Fund. Also reviewed were key revenue and expenditures changes, Pay-As-You-Go projects and the debt fund and debt management.

Mr. Fulton reviewed the Special Projects Fund explaining this fund is made of resources gained from excess General Fund revenues at year-end, and maintains an \$8 million reserve that helps with bond ratings and limits debt issuance. Mr. Fulton reviewed fiscal year 2019 funding requests. Also reviewed was the Debt Service Fund budget of \$3,226,086, which includes a 0.3% increase. Mr. Fulton reviewed future obligations and the refunding philosophy, which saved \$4.9 million since FY 04. He noted Debt Service Obligations are less than 10% of the General Fund appropriations.

Staff reviewed the Enterprise Fund Budget of \$20,986,995 a 2.97% increase, including revenue and expenditures. Mr. Fulton reviewed wholesale costs and consumption of water purchased from Fort Worth, which represents 43% of this budget, and is responsible for the increase in recent years. Mr. Fulton reviewed ratepayer impact and average user cost increase noting the value of a gallon of Hurst water purchased for \$0.01 versus a gallon bought at the store for \$1.00. Also reviewed were enterprise Pay-As-You-Go projects.

Mr. Fulton reviewed the Community Services Half Cent Sales Tax Fund, stating this fund provides 17 cents of property tax rate benefit. He reviewed sales tax revenue history, proposed revenue, expenditures, and Pay-As-You-Go projects for Fiscal Year 2019. Mr. Fulton reviewed the Anti-Crime Half Cent Fund, which was adopted by the Crime Control District, August 8, 2018, and stated it also provides 17 cents of property tax rate benefit. Also reviewed were the minor funds summary for a total budget of \$76.9

million.

Mayor Wilson opened the public hearing for comment after the presentation, and recognized Gary Waldron, 1905 Hurstview Drive, who stated kudos to the City for a great job with the budget and expressed his appreciation for the services provided noting the quick response, by the fire department, to a neighbor's home during a fire.

There being no one else to speak, Mayor Wilson closed the public hearing.

Councilmember Kitchens stated that from time-to-time, he receives questions regarding the amount of debt the City incurs, and explained it is similar to the necessary maintenance of a home to retain value. He stated when a home is maintained for less than 10% of budget it is a fantastic job. He commended staff for maintaining the city. Mayor Pro Tem Booe noted the importance of addressing employee compensation and quality of life issues. Mayor Wilson expressed appreciation to staff for development of the budget.

11. Conducted a Public Hearing to consider tax rate for the City's 2018-2019 Fiscal Year Budget.

Mayor Wilson announced a public hearing to consider tax rate for the City's 2018-2019 Fiscal Year budget and Executive Director of Fiscal and Strategic Services Clayton Fulton stated the budget will be supported by a proposed tax rate of \$0.58 per \$100, which is a reduction. City Manager Caruthers reviewed the following rates for the record: proposed tax rate \$0.58 per \$100, preceding year's tax rate \$0.58094 per \$100, effective tax rate \$0.552995 per \$100 and rollback tax rate \$0.586350 per \$100. City Manager Clay Caruthers noted the hearing this evening and again on September 4, 2018, 5:00 p.m. at the City Hall since the proposed rate is higher than the effective and below the rollback rate.

There being no one to speak, Mayor Wilson closed the public hearing.

Mayor Wilson stated, "The Hurst City Council will vote on the adoption of a tax rate at public meetings to be held on September 11, 2018 and September 25, 2018, at 6:30 p.m. at Hurst City Hall."

#### **ACTION ITEM(S)**

12. Considered authorizing the city manager to enter into a Contract for the purchase of TACTICS Traffic Management Software.

Mayor Wilson recognized Service Center Manager Joe Villa who reviewed the traffic management system upgrade. He explained the current system is more than 16 years old and is no longer supported. He stated the new system will allow staff to interact with the signal and improve the flow of traffic. In response to Councilmembers' questions, Mr. Villa stated they will be able to add to the system and receive upgrades. He stated he coordinated with the information technology department to ensure the system has security protection.

Councilmember McLendon moved to authorize the city manager to approve the TACTICS Traffic Management System upgrade, in an amount not to exceed \$43,720.00. Motion seconded by Councilmember Thompson. Motion prevailed by the following vote:

Ayes: Councilmembers McLendon, Booe, Kitchens, McKenzie, Thompson, and Shepard  
No: None

13. Consider annual appointments to boards, commissions and committees. No action was taken on this item.

### **OTHER BUSINESS**

14. Review of upcoming calendar items - City Manager Clay Caruthers reviewed the following calendar items:
- Tuesday, October 16, 2018 – Cyber Security Event, Library
  - Monday, September 3, 2108 – City Hall Closed Holiday
  - Tuesday, September 4, 2018, 5:00 p.m. - Tax Rate Public Hearing, City Hall
  - Saturday, September 29, 2018, 10:00 a.m. to 2:00 p.m. - Fire Department Open House, Fire Station 1
  - Tuesday, October 2, 2018, 5:30 p.m. – National Night Out, Library and Vivagene Copeland Park
  - Saturday, October 6, 2018, 11:00 a.m. to Noon – Fall Festival, Bellaire Shopping Center/Vivagene Copeland Park
  - Saturday, October 13, 2018, 8:00 a.m. to 11:00 a.m. – Household Hazardous Waste, Service Center
15. City Council Reports - Items of Community Interest – Councilmember Kitchens noted the hazards of the Federal Communications Commission (FCC) eliminating Net Neutrality on the internet, and reviewed an article regarding the inability of California firefighters to access lifesaving information due to decreased data speed. He stated his National League of Cities Information Technology Committee is writing letters to the FCC.

### **PUBLIC INVITED TO BE HEARD – A REQUEST TO APPEAR CARD MUST BE COMPLETED AND RETURNED TO THE CITY SECRETARY TO BE RECOGNIZED**

Mayor Wilson recognized Denise Fields, 501 Oak Park Drive, Hurst, Texas who suggested the City allow canines to swim on the last day of the waterpark season with funds raised supporting the animal shelter or animals in need.

Mayor Wilson recognized former Councilmember Nancy Welton and noted her recent birthday.

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

Mayor Wilson recessed the meeting at 7:44 p.m. to Executive Session in compliance with the provisions of the Texas Open Meetings Law, authorized by Texas Government Code 551.072 to deliberate the purchase, exchange, lease, or value of real property (Animal Control Shelter) and reconvened the meeting at 7:57 p.m.

- 16. Take any and all action ensuing from Executive Session – No action was taken.

**ADJOURNMENT**

The meeting adjourned at 7:58 p.m.

**APPROVED** this the 11<sup>th</sup> day of September 2018.

**ATTEST:**

  
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Rita Frick, City Secretary

**APPROVED:**

  
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Henry Wilson, Mayor