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Mayor
Michelle Pittman
Di Credico

City Council

Mayor Pro-Tem
Place 3
Elaine Priest

Place 1
Josh McCabe

Place 2
Kenny Crenshaw

Place 4
Sam Eason

Place 5
Leeanne
Mackowski

**City
Administrator**
Cynthia Northrop

City Attorney
Carvan Adkins

City Secretary
Shannon
Montgomery

Fire Chief
Darrell Fitch

Police Chief
Sam Love

**Public Works
Director**
Sean Densmore

MINUTES OF REGULAR SESSION OF THE RHOME CITY COUNCIL

Meeting Date: Thursday, September 10, 2020

Location: VIA TELEPHONE CONFERENCE

MEETING START TIME: 6:30 PM

Call to Order and Establish a Quorum

Mayor Pittman Di Credico called the meeting to order at 6:30pm, called roll, and announced a quorum of Council Members present.

Council Members Present:

Mayor Michelle Pittman Di Credico
Mayor Pro Tem Elaine Priest
Council Member Josh McCabe

Council Member Kenny Crenshaw
Council Member Sam Eason
Council Member Leeanne Mackowski

City Staff Present:

City Administrator Cynthia Northrop
City Attorney Carvan Adkins
City Secretary Shannon Montgomery

Municipal Court Clerk Kristi Adams
Public Works Director Sean Densmore

Public Presentations and Input

Council received public presentations from the following:

- Lisa Ann Wilson, 240 First Street, Rhome, Texas
- Terry Priest, 216 Cheyenne Trail, Rhome, Texas
- Jo Ann Wilson, 240 First Street, Rhome, Texas
- Patricia Mitchell, 389 South Old Mill Road, Rhome, Texas
- Ashley Majors, 200 South Dogwood, Rhome, Texas
- Shirley Mize, 170 Russell, Rhome, Texas
- Tim Robison, 1110 Sunrise, Rhome, Texas

Announcements from Mayor and Council Members

Mayor Pittman Di Credico stated that Staff will be placing Bond Election Facts on the website on Friday, September 14, 2020.

Consent Agenda

A. Minutes of City Council Regular Session dated August 27, 2020

B. Engagement Letter for FY19-20 Audit Services

C. Interlocal Agreement for Animal Control Services with Wise County

Motion made by Council Member Mackowski, seconded by Council Member Eason, to approve the Consent Agenda as presented.

Mayor Pittman Di Credico asked for a roll-call vote:

Council Member McCabe:	Aye
Council Member Crenshaw:	Aye
Mayor Pro-Tem Priest:	Aye
Council Member Eason:	Aye
Council Member Mackowski:	Aye

Motion carried unanimously.

Monthly Staff Reports

D. Departments: Administration, Building & Development, Fire Rescue, Municipal Court, Police, and Public Works

E. Boards: Planning & Zoning Commission Meeting Minutes

Mayor Pittman Di Credico pulled the Administration Report to state that sales tax revenue was strong for August at \$81,658. Di Credico reminded all that the proposed budget is averaging \$74,000 a month for sales tax revenues so August is definitely above the average. The Mayor also stated there is another spike in the number of Open Records processed in the month of August, which took a significant amount of Staff time this month. With the increase of requests, Staff may have to consider taking advantage of the contract labor that Council approved many months back.

No action taken, discussion only.

Regular Agenda – Old Business

F. Update, discussion and any necessary action regarding latest developments for COVID-19 and mitigation efforts and actions within the City

Mayor Pittman Di Credico made the following statement:

What is the status of the suspended Open Meetings Act provisions?

On September 7th, the Governor's office extended the Open Meetings Act suspensions for another 30 days. Previously, on March 16th, the Governor granted the Office of the Attorney General's request for suspension of certain open meeting statutes.

The temporary suspension allows, among other things, for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people.

The guidance associated with the suspension provides that: "These suspensions are in effect until terminated by the Office of the Governor, or until the March 13, 2020, Disaster Declaration is lifted or expires."

The March 13 Declaration has been extended for successive 30-day periods, including the September 7th extension for 30 days. That means the relevant open meetings laws remain suspended for at least another 30 days (or until affirmatively rescinded).

TML believes that it is highly likely that the governor will continue to repeatedly extend his declarations.

In a weekly conference call on Tuesday with leaders and representatives from around Wise County, it was indicated that the Governor was waiting to see results of the Labor Day weekend and many school districts opening back up to in-person learning before considering any changes.

City meetings will continue to be held virtually through the most recent extension date. This includes City Council, Planning & Zoning, Parks & Recreation, Municipal Court as well as various committees.

Has the IRS issued additional guidance related to the Presidential Memorandum deferring employee payroll taxes?

Yes. The IRS has issued guidance that the deferral of the employee portion of social security tax is optional for the employer.

The deferral of the tax is allowed from September 1st thru December 31st, 2020 with the repayment beginning January 1st thru April 30th, 2021.

Unless additional guidance is issued, the City will not be participating in this deferral program based upon recommendations from legal and employment professionals.

What is the latest on the CARES Act Coronavirus Relief Fund?

The City of Rhome has an allotment of \$106,315 of which \$21,263 was reallocated to the Wise Recovers Economic Recovery Grant program. The remaining allotment for the City to expend on eligible expenses is \$85,052 to be spent through December 30, 2020.

As of August 31st, the City has incurred \$10,686.97 of eligible expenses that will be submitted for reimbursement. The City has finished setting up all credentials needed to begin the reimbursement process and should be sending those requests in the coming weeks.

Wise County continues to order PPE for our law enforcement and first responders through the County allotment of CRF funds. PPE includes simple masks, N95 masks, face shields, gowns, gloves, and other various items used to protect those on the front lines. This allows the City to use its remaining allotment for other eligible items specific to our City's needs.

The Wise Recovers Economic Recovery Grant program has concluded, and it helped 117 businesses. A business must have been forced to close all or part of its business due to government orders resulting from COVID-19.

To respect the privacy of the businesses that applied, we will not be discussing any business names but only report that about a half dozen Rhome businesses received assistance. The program was administered by the County and we appreciate their efforts in this program as the City did not have the resources to manage this type of grant program.

What about annual events that have been put on hold by COVID-19?

The City of Rhome has had to cancel several annual events since the pandemic started. The City will continue to evaluate all upcoming annual events such as National Night Out, Trunk or Treat in Family Park as well as Santa Sightings.

The City will consider whether to hold these events in the coming weeks taking into consideration any orders by the Governor as well as with the utmost safety of the residents of our City in mind.

The City is also considering alternatives to these events that would encourage appropriate social distancing measures.

The City appreciates everyone's patience as we navigate through the coming months on final decisions for these events.

Mayor Pro Tem Priest shared that she appreciates the virtual meetings and understands the inconvenience of virtual meetings, but is blessed not being forced to attend public meetings.

G. Update, discussion, and any necessary action regarding Eastside Wastewater Treatment Plant (WWTP) Expansion Project

Mayor Pittman Di Credico stated that Kimley-Horn is waiting on signed contracts with the contractor and the anticipated start date is October 2020 with a completion date of September 2021.

Di Credico also provided an update on the Eastside WWTP Expansion Project funding:

**2019 Bond
Eastside WWTP Expansion Project
As of September 10, 2020**

Original bond Proceeds Received	\$ 2,603,429
ADD:	
Escrow Funds – Size Down to Design to City Portion Only	\$ 100,000
Interest Earned to Date	\$ 37,549
SUBTRACT:	
Original Design Costs	\$ (266,400)
Amendment to Design Costs for Size Down to City Portion Only	\$ (83,100)
Construction Bid Awarded	\$ (1,808,900)
Public Notices	\$ (3,105)
TCEQ Permit Application Fee	\$ (1,250)
MISC Bond Expense	\$ (500)
Total Funds Available to Date	\$ <u>577,723</u>

** Any remaining available funds will be used to either pay down a portion of the bond or be used for clay sewer pipe replacement that feeds into the Eastside WWTP causing I&I issues.

Regular Session

H. Discussion and any necessary action regarding Ordinance No. 2020-15 adopting the Budget for Fiscal Year October 1, 2020 to September 30, 2021

The proposed budget will raise less revenue from property taxes than last year's budget by an amount of \$17,379.38 which is a 2.34 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$12,350.30.

Mayor Pittman Di Credico shared that the proposed budget was discussed at eight meetings, Council held one public hearing and responded to citizen questions. Di Credico clarified that the first page of the proposed budget lists many numbers, but the only rate that will be applied to property taxes is .477694; shared that the certified tax roll is \$151,636,191, which was published in July when received from the County.

Mayor Pro Tem Priest also shared that she wrote down every comment and question and that this process has been started with the comprehensive plan and that every Department Head, Staff Member, and Committee used this document – exactly the approach taken in this budget. There were no secrets, the challenges, infrastructure, impending growth were all discussed within this proposed budget. Having a budget, based on long-range planning, this budget is the front runner, showing current needs with impending growth, was carefully researched by competent Staff.

Motion made by Council Member Eason, seconded by Council Member McCabe, to approve the proposed budget as presented.

Mayor Pittman Di Credico asked for a roll-call vote:

Council Member McCabe: Aye
Council Member Crenshaw: Aye
Mayor Pro-Tem Priest: Aye
Council Member Eason: Aye
Council Member Mackowski: Aye

Motion carried unanimously.

**CITY OF RHOME, TEXAS
ORDINANCE 2020-15**

AN ORDINANCE OF THE CITY OF RHOME, TEXAS, APPROVING AND ADOPTING A BUDGET FOR THE CITY FOR FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; AND PROVIDING AN EFFECTIVE DATE.

I. Discussion and any necessary action regarding Ordinance No. 2020-16 ratifying ad valorem property tax revenue reflected in the adopted Fiscal Year October 1, 2020 to September 30, 2021 Annual Budget

This budget will raise less revenue from property taxes than last year's budget by an amount of \$17,379.38 which is a 2.34 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$12,350.30.

Mayor Pittman Di Credico reminded the Council that the proposed tax rate is 0.477694 per \$100.

Motion made by Council Member Eason, seconded by Mayor Pro Tem Priest, to approve ratifying ad valorem property tax revenue reflected in the adopted fiscal year October 1, 2020 to September 30, 2021 annual budget stating that this tax rate will raise more taxes for maintenance and operations than last year's rate. This tax rate will effectively be increased by 7.20 percent and will increase taxes for maintenance and operations on a \$400,00 home by approximately \$32.11.

Mayor Pittman Di Credico asked for a roll-call vote:

Council Member McCabe: Aye
Council Member Crenshaw: Aye
Mayor Pro-Tem Priest: Aye
Council Member Eason: Aye
Council Member Mackowski: Aye

Motion carried unanimously.

**CITY OF RHOME, TEXAS
ORDINANCE 2020-16**

AN ORDINANCE OF THE CITY OF RHOME, TEXAS, AFFIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF RHOME TO PROVIDE REVENUES FOR THE PAYMENT OF CURRENT EXPENSES AND ALL OUTSTANDING DEBTS OF THE CITY; DIRECTING THE ASSESSMENT THEREOF; PROVIDING FOR DUE DATES AND DELINQUENT DATES FOR PAYMENT OF TAXES TOGETHER WITH PENALTIES AND INTEREST THEREON; APPROVING THE TAX ROLLS; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE AND DECLARING AN EFFECTIVE DATE.

J. Discussion and any necessary action regarding winter averaging for calculation of water/sewer billing

City Administrator Northrop and Public Works Director Densmore explained winter averaging and how it is calculated for water/sewer billing. Presentation topics included:

- What is “Winter Quarter Averaging?”
- How is Winter Quarter Averaging Calculated?
- What are the benefits of using “Winter Quarter Averaging?”
- Why do I pay for sewer if I don’t have a separate meter?
- Who is eligible for the winter quarter average?
- What about new accounts?
- Will residents have the opportunity to choose to do Water Quarterly Averaging or will it be applied system-wide?
- What are the next steps?

Both Northrop and Densmore addressed questions from Council.

Mayor Pittman Di Credico clarified that winter averaging is not equitable to every resident.

Consensus of Council was to have Staff reach out to Newark and work towards something beneficial to all and to continue research to come back with start up costs versus current costs, how winter quarter averaging would help with budgeting for future projects and bring more information back to Council at a later date.

No action taken; discussion only.

K. Discussion and any necessary action regarding easements and maintenance of the same

Mayor Pittman Di Credico stated that this agenda item is more for educational purposes this evening, the Council will not be discussing any particular easements tonight. Di Credico asked City Attorney Adkins to help Council understand the rights, roles and responsibilities within easements.

Adkins first defined an easement as a right that is given to a third party over a piece of property that someone else owns, not a grant of ownership to a third party. Typically, a City might have an easement to put a sewer line or water line down, or even a sidewalk. This does not necessarily mean that the City owns the underlying property, so an easement is just granting you a right to generally, temporarily, do something. Generally, an easement is in writing, and in Texas, it must be in writing, spelling out what the respective rights are between the two parties with regard to the easement. Usually in that easement agreement, it will say that if you go in there and change the property, as the person holding the easement right, you have an obligation to put the property back the way you found it – it does not mean you own it, it does not mean you have title to the property and it also does not mean you have any of the responsibilities that go with the title to the property. If you are the owner of the property, you still own it, even if you have granted some third party an easement and you still also have the responsibility for maintaining that property. Which includes mowing it, that would include trimming trees or other things, that are on the property. In taxes, there is a big distinction between owning the property and having an easement over the property.

So if we have easements in certain areas where we have a pipeline or something in the ground, the City has a right has the right to go in there and if something is wrong with the pipe to go dig it up, repair it, and the City’s obligation is to simply put the easement back to where it was, when the City entered the property. The City is not under any continuing obligation to do anything else with the surface of that property, the City does not own it. It belongs to the fee owner, as we say, in law, to the title owner who owns the property.

Di Credico clarified that the City maintains property that the City owns, the City does not maintain property in which the City has an easement granted to us where the City does not own the property, the City just has an easement granted, and it is not the City’s role to maintain an easement.

Adkins stated that the City's Code of Ordinances specifically prohibits the use of public equipment, public employees from going onto private property and expending public resources. The City is prohibited from going onto someone else's property to mow it or spend public dollars. If the City owns property or acquired property, the City has an obligation to maintain it.

If the City does not own the property, the City would have to get permission from the property owner to go on the property and the City does not generally do that, because our Ordinances prohibit us from going onto private property and using public assets to maintain private property.

Di Credico summarized by stating that if the City does not own the property, by law, the City is not allowed to go on the property.

Discussion only, no action taken.

Future Agenda Items

No future agenda items were requested.

Adjourn

Motion made by Council Member McCabe, seconded by Council Member Eason, to adjourn.

Mayor Pittman Di Credico asked for a roll-call vote:

Council Member McCabe:	Aye
Council Member Crenshaw:	Aye
Mayor Pro-Tem Priest:	Aye
Council Member Eason:	Aye
Council Member Mackowski:	Aye

Motion carried unanimously; meeting adjourned at 8:00pm.

Minutes approved the 24th day of September 2020.

		
Michelle Pittman Di Credico, Mayor		Shannon Montgomery, TRMC City Secretary