

**City of Killeen**  
Regular City Council Meeting  
Killeen City Hall  
September 9, 2014 at 5:00 p.m.

Presiding: Mayor Scott Cospers

Attending: Mayor Pro-Tem Elizabeth Blackstone, Council members Terry Clark, Juan Rivera, Wayne Gilmore, Steve Harris, Jonathan Okray, and Jose Segarra

Also attending were City Manager Glenn Morrison, City Attorney Kathryn Davis, City Secretary Dianna Barker, and Sergeant-at-Arms Bradley.

Mayor Cospers gave the invocation, and Mayor Pro-Tem Blackstone led everyone in the pledge of allegiance.

### **Approval of Agenda**

*Motion was made by Mayor Pro-Tem Blackstone to approve the agenda as written. Motion seconded by Councilmember Gilmore. The motion carried unanimously.*

### **Consent Agenda**

- CA-14-121** Consider minutes of Regular City Council meeting of August 26, 2014.  
No changes.
- CA-14-122** Consider a memorandum/resolution approving an Interlocal Agreement with Fort Hood for Clinical EMT/Paramedic Training.  
**Staff comments:** Fire Chief Gardner  
Fort Hood medics who have already been certified at the national registry level as Emergency Medical Technicians would complete ride-a-longs with KFD EMTs to get related experience.  
Staff recommends authorizing the City Manager to enter into the agreement with Fort Hood.
- CA-14-123** Consider a memorandum/resolution approving electrical system upgrades at selected City-owned facilities.  
**Staff comments:** Stu McLennan  
Lighting upgrades have been identified at KPD North precinct (402 North 2<sup>nd</sup> street) and KPD Central Fire Station (201 N. 28<sup>th</sup> Street).  
Power Factor improvements have been identified on selected electrical service equipment at the Killeen-Fort Hood Regional Airport (K-FHRA) Main Terminal, Killeen Arts and Activities Center (KAAC), and Pump Stations #4 and #6.  
Recommend City staff be authorized to leverage FY14 funds and hire Crawford Electric Supply Company, Inc. to complete the lighting upgrades and Power Factor improvements.

- CA-14-124** Consider a memorandum/resolution authorizing a contract for the annual enterprise software maintenance agreement for Sungard Public Sector.  
**Staff comments:** Stu McLennan  
SunGard Public Sector is the sole source for an annual maintenance agreement that annually facilitates technical support, training and education, process and infrastructure improvements, and product enhancements.  
Staff recommends the City Manager be authorized to execute the renewal of the annual maintenance agreement with SunGard Public Sector in the amount of \$142,523.
- CA-14-125** Consider a memorandum/resolution approving the L.L.C. Lease Agreement Extension for Genesis Flight Academy at Skylark Field.  
**Staff comments:** Matt Van Valkenburg  
Staff has negotiated an addendum with the tenant that will extend the term two additional years at a monthly rate of \$844.72. Staff recommends City Council approve Addendum No. 1 to the Genesis Flight Academy, L.L.C. lease agreement, extending the lease for a duration of two years from October 1, 2014, through September 30, 2016, and authorize the City Manager to execute same.
- CA-14-126** Consider a memorandum/resolution approving the revised City of Killeen Investment Policy.  
**Staff comments:** Martie Simpson  
On August 19, 2014, the Investment Committee met and reviewed amendment to the investment policy as suggested by the City's Investment Advisor, Valley View Consulting. The amendment focused on general clean-up and clarification.  
Staff recommends approval of the revised City of Killeen investment policy.

*Motion was made by Mayor Pro-Tem Blackstone to approve Consent Agenda items 14-121 through 14-126, as presented. Motion was seconded by Councilmember Segarra. Motion carried unanimously.*

### **Public Hearings / Ordinances**

- PH-14-056** HOLD a public hearing and consider an ordinance amending the FY 2013-14 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing the Water and Sewer Fund, Water Contracts account expenditures by \$755,820 for the cost of debt service resulting from the issuance of revenue bonds by Bell County Water Control and Improvement District, No. 1 for the construction of the Stillhouse water treatment plant.

The City Secretary read the caption of the ordinance.

**ORDINANCE AMENDING THE FY 2013-14 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN BY INCREASING THE WATER AND SEWER FUND, WATER CONTRACTS ACCOUNT EXPENDITURES BY \$755,820 FOR THE INCREASED COST OF DEBT SERVICE RESULTING FROM THE**

**ISSUANCE OF REVENUE BONDS ISSUED BY BELL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 FOR THE CONSTRUCTION OF THE STILLHOUSE WATER TREATMENT PLANT.**

**Staff comments:** Martie Simpson

The budget amendment for \$755,820 is needed to fund six monthly payments for the remainder of the 2013-2014 fiscal year. Approval of this budget amendment will increase the Water and Sewer Fund, Water Contracts/Fixed Charges for Water expenditures by \$755,820.

City staff recommends that the City Council approve the attached ordinance amending the FY 2013-2014 Water and Sewer Fund, Water Contracts/Fixed Charges for Water account by \$755,820.

Mayor Cosper opened the public hearing. With no one appearing, the public hearing was closed.

*Motion was made by Councilmember Segarra to approve PH-056 as presented. Motion was seconded by Councilmember Rivera. Motion carried unanimously.*

### **Ordinances / Resolutions**

**OR-14-028** Consider an ordinance amending Chapter 30, Article IV, Division 2, Rates for Water, Sewer and Sewage Disposal.

The City Secretary read the caption of the ordinance.

**AN ORDINANCE AMENDING CHAPTER 30, ARTICLE IV, DIVISION 2, RATES 30-126, WATER RATES, AND SECTION 30-151, SEWER RATES OF THE OFFICIAL CODE OF ORDINANCES OF THE CITY OF KILLEEN PROVIDING FOR CHANGES IN THE WATER RATES; PROVIDING FOR CHANGES IN THE SEWER RATES; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.**

**Staff comments:** Glenn Morrison

The rates have not increased since the 2011-12 fiscal year.

A 3% rate increase is recommended, enabling the City to keep up the growing costs of operation.

Staff recommends that the City Council adopt the ordinance amending the water and sewer and wastewater rates.

*Motion was made by Councilmember Rivera to approve OR-028. Motion was seconded by Councilmember Gilmore. Motion carried 5 to 2 with Councilmember Okray and Councilmember Harris opposing.*

- OR-14-029** Consider an ordinance adopting a budget for operating the municipal government of Killeen for the fiscal year October 1, 2014 through September 30, 2015.

The City Secretary read the caption of the ordinance.

**AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF KILLEEN FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2014 AND ENDING ON SEPTEMBER 30, 2015; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGET INCLUDING APPROPRIATIONS OF MONEY TO PAY INTEREST AND PRINCIPAL SINKING FUND REQUIREMENTS ON ALL INDEBTEDNESS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND ESTABLISHING AN EFFECTIVE DATE.**

**Staff comments:** Glenn Morrison

The FY 2014-15 Annual Budget and Plan of Municipal Services was presented to the City Council. One town hall meeting, several budget workshops and two public hearings were held so that the citizens, Council and staff could discuss the proposed budget.

Staff recommends that the ordinance adopting the FY 2014 - 2015 budget be approved.

*Motion was made by Councilmember Clark to approve OR-029. Motion was seconded by Mayor Pro-Tem Blackstone. Motion carried 5 to 2 with Councilmember Okray and Councilmember Harris opposing.*

- OR-14-030** Consider an ordinance setting the Tax Rate for Fiscal Year 2014-15.

The City Secretary read the caption of the ordinance.

**AN ORDINANCE SETTING THE TAX RATE AND LEVYING A TAX UPON ALL PROPERTY SUBJECT TO TAXATION WITHIN THE CITY LIMITS OF THE CITY OF KILLEEN, TEXAS, FOR THE 2014 TAX YEAR AND FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF KILLEEN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2014, AND ENDING SEPTEMBER 30, 2015; APPORTIONING SAID LEVY AMONG THE VARIOUS FUNDS AND ITEMS FOR WHICH REVENUE MUST BE RAISED INCLUDING PROVIDING A SINKING FUND FOR THE RETIREMENT OF THE BONDED DEBT OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**Staff comments:** Glenn Morrison

City Manager Glenn Morrison thanked the staff for all their work on the budget process. On August 12, 2014, at a regular city council meeting, the Killeen City Council set the preliminary tax rate at the effective rate of 74.98¢ per \$100 valuation. The preliminary rate represents the maximum rate that can be adopted for the FY 2014-15 Budget. The current property tax rate is 74.28¢. Adopting the effective rate will result in a \$7 increase per year on a home valued at \$100,000.

Adopting the effective tax rate of 74.98¢ per \$100 valuation will generate ad valorem tax revenues in the amount of \$36,018,534 for the City.

It is recommended that the ordinance be approved and that the tax rate for the City of Killeen for the 2014-15 tax year be set at 74.98 ¢ on each \$100 of the taxable value of real and personal property not exempt from taxation.

*Motion was made by Councilmember Clark to approve OR-030. Motion was seconded by Councilmember Segarra. Motion carried 5 to 2 with Councilmember Okray and Councilmember Harris opposing.*

**OR-14-031** Consider a memorandum/resolution approving an agreement with Killeen Economic Development Corporation for providing economic development services.

**Staff comments:** Glenn Morrison

The City Council has authorized an allocation no less than the equivalent of two cents (2¢) of the net ad valorem tax collections each fiscal year, from its tax and rate revenues, to the KEDC for economic development services on behalf of the City. The attached two year agreement describes the responsibilities of the City and the KEDC and includes provisions for the use of funds and financial reporting requirements.

Staff recommends that the City Council authorize the City Manager to execute the agreement on behalf of the City.

*Motion was made by Mayor Pro-Tem Blackstone to approve OR-031. Motion was seconded by Councilmember Rivera. Motion carried unanimously.*

**OR-14-032** Consider a memorandum/resolution approving an agreement with Greater Killeen Chamber of Commerce for providing economic development services.

**Staff comments:** Glenn Morrison

The proposed two year agreement allocates \$677,397 for economic development services. It authorizes an annual allocation of the estimated revenue determined by the City each year in consultation with the Chamber for the period beginning October 1, 2014, through September 30, 2016, and sets out the responsibilities of the City and the GKCC.

*Motion was made by Councilmember Rivera to approve OR-032. Motion was seconded by Councilmember Segarra. Motion carried unanimously.*

### **Adjournment**

With no further business, upon motion being made by Councilmember Clark, seconded by Councilmember Rivera, and unanimously approved, the meeting was adjourned at 5:18 p.m.

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Scott Cospers, Mayor

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Dianna Barker, City Secretary