

**AGENDA
BENBROOK CITY COUNCIL
THURSDAY, SEPTEMBER 4, 2008
911 WINSCOTT ROAD, BENBROOK, TEXAS
PRE-COUNCIL WORKSESSION 7:00 P.M.
CENTRAL CONFERENCE ROOM**



1. Review and discuss agenda items for regular meeting.

**REGULAR MEETING 7:30 P.M.
COUNCIL CHAMBERS
ALL AGENDA ITEMS ARE SUBJECT TO FINAL ACTION**

I. CALL TO ORDER

**II. INVOCATION – Pastor Jeff Klingenberg with Benbrook Christian Fellowship
PLEDGE OF ALLEGIANCE**

III. MAYOR AND CITY COUNCILMEMBERS

1. Receive resignation from James Schull, Member of the Council, Place 2

IV. MINUTES

1. Minutes of the regular meeting held August 21, 2008

V. PROCLAMATION, AWARDS, RECOGNITION

1. American Planning Association Texas Chapter Planning Excellence Certificate – Richard Schell, City of Southlake

VI. CITIZEN PRESENTATION

1. Valerie Cook, Director Benbrook Sister Cities – Discuss reinstating link between Benbrook, Texas and Ballymoney, Northern Ireland

VII. PRESENTATION BY BENBROOK ECONOMIC DEVELOPMENT CORPORATION

- EDC-2008-01** Ratify Benbrook Economic Development Corporation Budget for FY2008-2009

VIII. PRESENTATION BY PLANNING AND ZONING COMMISSION

IX. REPORTS OF CITY MANAGER

A. GENERAL

- G-1796** Adopt Ordinance approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp. regarding the rate review mechanism filing
- G-1797** Interlocal Agreement with City of Fort Worth for Household Hazardous Waste Program
- G-1798** Ordinance amending Chapter 10.24 of the Benbrook Municipal Code - Speed Limits on Benbrook Boulevard

X. OTHER MATTERS OF BUSINESS

1. Public hearing on 2008 Property Tax Rate
2. Public Hearing on Proposed Budget for Fiscal Year 2008-2009

XI. INFORMAL CITIZEN COMMENTS – State Law prohibits any deliberation of or decisions regarding items presented in information citizen comments. City Council may only make a statement of specific factual information given in response to the inquiry; recite an existing policy; or request staff place the item on an agenda for a subsequent meeting.

XII. ADJOURNMENT



**MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, AUGUST 21, 2008**

The regular meeting of the Benbrook City Council was held on Thursday, August 21, 2008 at 7:30 p. m. in the Council Chambers at 911 Winscott Road with the following Council members present:

Jerry Dittrich
Dan Tully
Ron Sauma
Keith Bailey
Rickie Allison
Mark Washburn
James Schull

Also Present:

Andy Wayman, City Manager
Donna Savage, Assistant to City Secretary
Sherri Newhouse, Budget Director
Cathy Morris, Administrative Analyst

Others Present:

Ed Gallagher
Ron Rainey
Pat Taber
Pat Dunkin
Woody Johns
Robert Clark
Bill Smith
Jess Jordan
9 Other Citizens

I. CALL TO ORDER

Meeting called to order at 7:30 p. m. by Mayor Dittrich.

**II. INVOCATION
PLEDGE OF ALLEGIANCE**

Invocation given by Woody Johns with Wyatt Drive Baptist Church
The Pledge of Allegiance was recited.

III. MINUTES

Minutes of the regular meeting held August 7, 2008

Motion by Mr. Allison, seconded by Mr. Sauma to accept the minutes of the regular meeting held August 7, 2008.

Vote on the Motion:

Ayes: Mr. Schull, Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Washburn, Mr. Sauma

Noes: None

Motion carries unanimously.

IV. CITIZEN PRESENTATION

1. Pat Dunkin - Timber Creek Neighborhood Association – Timber Creek Signs

Ms. Pat Dunkin made presentation on behalf of the homeowners in Timber Creek, they are asking for the possibility of the City replacing the signs at the front of the Timber Creek neighborhood. The signs were destroyed years ago by the City when the street was changed to the current intersection.

Motion by Mr. Allison, seconded by Mr. Schull to replace the signs at the front entrance of Timber Creek at the City's expense.

Vote on the Motion:

Ayes: Mr. Schull, Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Washburn, Mr. Sauma

Noes: None

Motion carries unanimously.

2. Robert Clark – Method to provide information to citizens on Benbrook Economic Development Corporation.

Mr. Robert Clark made the presentation requesting more information about the projects and the budget from the EDC for the citizens. He wanted to know if it is possible to have more television coverage about their meetings on the cable channel the same as the City Council meetings.

Mayor Dittrich requested that Mr. Clark visit with Mr. Ron Rainey, Director of the Economic Development Corporation to address his issues.

V. REPORTS OF THE CITY MANAGER

G-1795 Financial Report for month ending July 31, 2008

Andy gave the following report: Revenues for the month of July totaled \$684,193. The major source of revenue came from Sales & Other Taxes (\$128,036), Franchise Taxes (\$119,974), and Property Taxes (\$214,196). Through July, total collections were \$11,943,003 or 94.3% of the amount budgeted. Total revenue collection is now \$823,505 ahead of the prior year.

July expenditures totaled \$783,164. Through July, total expenditures were \$10,104,018 or 81.11% of the original budget. Revenues exceeded expenditures by \$1,838,986.

EDC July revenues were \$73,771 with most of this amount coming from Sales Tax. Expenditures were \$54,294. Through the end of July, expenditures exceed revenues by \$447,048.

Investments were \$13,135,469 at July 31, 2008.

Motion Mr. Sauma seconded by Mr. Washburn to accept the monthly financial report for the month of July, 2008 as presented.

Vote on the Motion:

Ayes: Mr. Schull, Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Washburn, Mr. Sauma

Noes: None

Motion carries unanimously.

VI. OTHER MATTERS OF BUSINESS

1. Public hearing on 2008 Property Tax Rate
2. Public Hearing on Proposed Budget for Fiscal Year 2008-2009

Ms. Newhouse gave the following report. The 2008-09 Proposed Budget is based on General Fund revenues in the amount of \$13,430,009 and Debt Service revenues in the amount of \$984,573; total Operating Fund revenues are \$14,414,582. General Fund expenditures total \$13,400,311, Debt Service Fund expenditures total \$1,039,214, and Operating Funds total \$14,439,525. The variance between revenues and expenditures for the General Fund is \$29,698. The variance between revenues and expenditures for the Debt Service Fund is a negative \$54,641. The net variance between revenues and expenditures for the Operating Funds is a negative \$24,943. The projected ending balance for the General Fund is \$6,168,670; the projected ending balance for the Debt Service Fund is \$786,686; the projected ending balance for the Operating Funds is \$6,955,356.

The 2008-09 proposed budget is based on a property tax rate of \$0.6775 per \$100 valuation. The General Fund property tax rate is \$0.60810 and the Debt Service Fund property tax rate is \$0.06940. The General Fund property tax rate proposed for 2008-09 of \$0.60810 is \$0.00903 more than the current property tax rate of \$0.59907. The Debt Service property tax rate of \$0.06940 is a decrease of \$0.02903 from the current tax rate of \$0.09843. The total proposed tax rate of \$0.6775 is \$0.0200 less than the current property tax rate of \$0.6975.

The 2008-09 Proposed Budget is predicated upon continuation of current services; no program reductions, no employee layoffs, and no service changes are reflected in the Proposed Budget. The Proposed Budget includes: step increases for eligible employees, an up-to fifteen percent increase for employee insurance costs, replacement of five Police vehicles (funding for four from the General Funds and funding for one from the Police Narcotics Fund), continuation of current fee structures, and City Staff organizational changes (Engineering Department under Public Service Director and Code Compliance assigned to Administrative Analyst).

Highlights of the 2008-09 Proposed Budget include a two cent reduction in the property tax rate from \$0.6975 to \$0.6775 (each one cent of the tax rate equals approximately \$142,134) and a three percent cost-of-living adjustment (COLA) for all full-time City employees (each one percent increase costs approximately \$81,796 for a total of \$245,389). The 2008-09 Budget also features the following enhancements and improvements for City services and operations:

- Year Four of Document Imaging Program for City Secretary
- Flu Shots for City Employees
- Improved Conditions for Server Storage
- Telephone System Upgrade
- Replacement of Intoxilyzer for Police Department
- Digital Data Sender (Scanner) for Police C. I. S.
- Promotion of two Fire Lieutenants to Rank of Captain
- Salary Adjustment for ACFSU Members of Fire Department
- Replacement of Ambulance
- Replacement of Truck for Public Works
- Replacement of Wooden Ball Field Light Poles for Parks
- Raw Water Irrigation System for Parks
- Entrance Monument for Highway 377 – North of I 20
- Replacement of City Hall Sign
- Establishment of Fuel Reserve Account
- Funds for Compensation and Classification Study
- Software for Internet Reservations and Payments for City Services
- Mary's Creek Drainage Study (with City of Fort Worth); funded through Stormwater Utility Fund
- Erosion Project at 1425 Timberline Drive – funded through Stormwater Utility Fund
- Five Mobile Video Camera Units for Patrol Cars – funded through Police Narcotics Fund

Following Ms. Newhouse's overview of the 2008-09 Budget and Property Tax Rate, she stated that the City Council would conduct the first of two series of public hearings. The first public hearing would be on the Proposed Budget and the second hearing would be on the property tax rate. She informed the audience that copies of the 2008-09 Proposed Budget were available at the meeting and would be available at City Hall. She advised the audience that citizens had the opportunity to comment on the budget and on the tax rate during the public hearings.

At the next Council meeting on September 4, 2008, the Council will hold the second series of public hearings on the 2008-09 Proposed Budget and on the Property Tax Rate. Notices and copies of the 2008-09 Budget Summary will be published in the *Benbrook News* and on the City's website. Citizens will have the opportunity to comment on the budget and on the tax rate.

At the September 18, 2008 Council meeting, the City Council will adopt the 2008-09 Budget, adopt the 2008-09 Property Tax Rate, and ratify the 2008-09 Property Tax Revenue.

Mayor Dittrich opened the public hearing on the proposed budget for fiscal year 2008-2009 at 8:05 p.m.

No one in the audience spoke to the item.

Mayor Dittrich closed the public hearing at 8:05 p.m.

Mayor Dittrich opened the public hearing on the 2008 property tax rate at 8:06 p.m.

No one in the audience spoke to the item.

Mayor Dittrich closed the public hearing at 8:06 p.m.

VII. STAFF BRIEFING

1. Briefing on Compassion Based Code Compliance

Cathy Morris gave the following report: Compassion Based Code Compliance is modeled after the "Beautiful Day" program developed in San Jose, California. It offers an alternative for the City to more compassionately resolve code violations of physically or financially incapable citizens. This mobilizes community volunteers/resources to assist qualifying residents in site cleanup repair.

City/Community Partnership
City Resources

- Citizen Identification/Screening
- Connect volunteers with projects

- Insurance coverage
- Waste hauler contacts
- Leverage donations

Community Resources

- Strong Community Resources in Benbrook
- Sponsoring Organization/Compassion Team (s)
- Volunteer Leadership/Skilled Trades
- Event Coordination

Benefits

- Code Compliance estimates that approximately 15% of residents could benefit from assistance
- Helps residents retain dignity and better enjoy their homes and property
- Reduces repeat violations
- Creates enhance community collaboration
- Improves overall community appearance

VIII. INFORMAL CITIZEN COMMENTS

Harold Evetts expressing his concerns about why Benbrook wasn't one of the Cities picked as a future site for Wal-Mart or Home Depot.

Bill Smith introduced Jess Jordan as the new president of the South Benbrook Home Owners Association.

Mr. Ron Rainey Director for the EDC replied that they do run articles about EDC budget and meeting updates in the Benbrook News Letter and on Spot Light which is aired on the Benbrook cable channel and in the Benbrook Newspaper.

IX. EXECUTIVE SESSION – Pursuant to Texas Government Code Section 551.074. Personnel Matters

City Manager Performance Evaluation Including Salary Determination

Mayor Dittrich recessed the regular meeting at 8:24 p.m. for Executive Session.

Mayor Dittrich reconvened the regular meeting at 9:10 p.m.

Motion Mr. Allison seconded by Mr. Sauma to accept the City Managers Performance Evaluation and set his salary at a 3% increase with an increase to the auto allowance from \$600 per month to \$650 per month.

Vote on the Motion:

Ayes: Mr. Schull, Mr. Bailey, Mr. Allison, Mayor Dittrich, Mr. Tully, Mr. Washburn, Mr. Sauma

Noes: None

Motion carries unanimously.

IX. ADJOURNMENT

Meeting adjourned at 9:12 p.m.

APPROVED:

Jerry B. Dittrich, Mayor

ATTEST:

Joanna King, City Secretary



City of Benbrook

CITY COUNCIL COMMUNICATION

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|-------------------|-----------------------------|---|-----------------|
| DATE: 09/04/08 | REFERENCE NUMBER: G-1796 | SUBJECT: Adopt Ordinance approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp. regarding the rate review mechanism filing | PAGE: 1 of 3 |
|-------------------|-----------------------------|---|-----------------|

Benbrook, along with 150 other cities served by Atmos Energy Mid-Tex Division ("Atmos" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). On April 14, 2008, Atmos filed an application to increase natural gas rates pursuant to the Rate Review Mechanism ("RRM") tariff approved by the City earlier this year. The Company's April RRM filing seeks a \$33.5 million rate increase. Staff worked with ACSC to analyze the schedules and evidence offered by Atmos to support its request to increase rates. The Ordinance and attached tariff are the result of negotiation between ACSC and the Company to resolve issues raised by ACSC during the review and evaluation of ACSC's RRM filing.

RRM Background

The RRM tariff was approved by cities as part of the settlement agreement to resolve Atmos' 2007 rate increase case. Atmos' rate request represents the first filing pursuant to the three-year trial project known as the RRM process. The RRM process was created collaboratively by the Steering Committee and Atmos as an alternative to the GRIP surcharge process. The RRM process allows for a more comprehensive rate review and annual adjustment that will function as a substitute for future GRIP filings during the three-year trial period specified by the tariff.

There are two components to the RRM adjustment. The prospective component adjusts rates for known and measurable changes in O&M and net plant investment. Atmos and ACSC agreed to cap changes to expenses and invested capital at no more than five percent. The true up component evaluates whether the Company has over or under recovered its earnings for the previous year. For purposes of the RRM true up component, Atmos' rate of return on equity and its capital structure are frozen to avoid the parent company from manipulating the overall rate of return. Costs expressly prohibited from recovery through the RRM include first class air-fare, travel, meals or entertainment for employee's spouse, alcohol, sports events, entertainment, arts and cultural events, sponsorship of sports, arts or cultural events, and social club membership dues.

Purpose of the Ordinance

The purpose of the Ordinance is to approve rate tariffs (Attachment A) that reflect the negotiated rate change pursuant to the RRM process. The Ordinance also approves the Company's proof of revenues (Attachment B), a required part of the RRM filing.

As a result of the negotiations, ACSC was able to reduce the Company's requested \$33.5 million RRM increase by more than 35 percent. Approval of the Ordinance will result in rates that

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| SUBMITTED BY: | DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE) | PROCESSED BY: CITY SECRETARY |
| CITY MANAGER | | DATE: |

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|-------------------|--------------------------------|---|-----------------|
| DATE: 09/04/08 | REFERENCE NUMBER: G-1796 | SUBJECT: Adopt Ordinance approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp. regarding the rate review mechanism filing | PAGE: 2 of 3 |
|-------------------|--------------------------------|---|-----------------|

implement a \$20 million increase in Atmos' revenues effective October 1, 2008. The monthly bill impact for the average residential customer is \$0.81.

Reasons Justifying Approval of the Negotiated Resolution

During the time that the City has retained original jurisdiction in this case, consultants working on behalf of ACSC cities have investigated the support for the Company's requested rate increase. While the evidence does not support the \$33.5 million increase requested by the Company, ACSC consultants agree that the Company can justify an increase in revenues of at least \$19.8 million.

A contested case proceeding before the RRC on the Company's current application will take several months and cost ratepayers millions of dollars in rate case expenses and would not likely produce a request more favorable than that to be produced by the settlement. The ACSC Executive Committee recommends that ACSC members take action to approve the ordinance authorizing new rate tariffs.

Explanation of "Be It Ordained" Paragraphs

1. This paragraph approves all findings in the ordinance.
2. This section adopts the attached tariffs (Attachment A) and Company's proof of revenues (Attachment B) in all respects and finds the rates set pursuant to the attached tariffs to be just, reasonable and in the public interest. Note that only new tariffs or existing tariffs that are being revised are attached to the Ordinance. Existing tariffs that are not being changed in any way are not attached to the Ordinance.
3. This section repeals any resolution or ordinance that is inconsistent with this Ordinance.
4. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
5. This section is a savings clause, which provides that if any section(s) is later found to be unconstitutional or invalid, that finding shall not affect, impair or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.
6. This section is a "Most Favored Nations" clause, which protects the City by mandating that if a Final Order or subsequent agreement approved in any proceeding addressing the issues raised in Atmos' RRM filing results in rates or terms that would be more beneficial to the ACSC Cities than the terms of this tariff, the City may, at its option, implement such more favorable rates or terms. The exercise of this right is contingent upon the City agreeing to adopt the terms of the Final Order or subsequent agreement *in toto*.
7. This section provides for an effective date upon passage.

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|-------------------|--------------------------------|---|-----------------|
| DATE: 09/04/08 | REFERENCE NUMBER: G-1796 | SUBJECT: Adopt Ordinance approving a negotiated resolution between the Atmos Cities Steering Committee and Atmos Energy Corp. regarding the rate review mechanism filing | PAGE: 3 of 3 |
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8. This paragraph directs that a copy of the signed resolution be sent to a representative of the Company and legal counsel for ACSC.

RECOMMENDATION

Staff recommends that City Council adopt the Ordinance approving the negotiated rate settlement.



City of Benbrook

CITY COUNCIL COMMUNICATION

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|-------------------|--------------------------------|---|-----------------|
| DATE: 09/04/08 | REFERENCE NUMBER: G-1797 | SUBJECT: Interlocal Agreement with City of Fort Worth for Household Hazardous Waste Program | PAGE: 1 of 1 |
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Background

Fiscal Year 2007/2008 marks the 9th consecutive year of participation in the Fort Worth Environmental Collection Center Household Hazardous Waste collection program. Through the program, the City hosts twice-yearly household hazardous waste collection events. The events utilize the Collection Center's mobile waste collection unit, the "Crud Cruiser". Benbrook and Fort Worth employees staff the events, where citizens bring unused toxic household chemicals for proper disposal. Accepted items include paints, pool chemicals, fertilizers, pharmaceuticals, batteries, motor oil and filters, cleaning solvents, and other household chemicals.

In addition to the collection day events, citizens also deliver these items directly to the Fort Worth Environmental Collection Center year-round via a voucher system coordinated through City staff.

Interlocal Agreement

The City has annually entered into an interlocal agreement with the City of Fort Worth to participate in this program. The current contract expires on September 30, 2008. To continue participation in this program, the City must approve and return the annual interlocal agreement to the City of Fort Worth by October 1, 2008. The proposed agreement is unchanged from last year, with a rate of \$47.00 per household. The new contract term is from October 1, 2008 through September 30, 2009.

Recommendation

Staff recommends that City Council approve the interlocal agreement with the City of Fort Worth Environmental Collection Center for FY 2008/2009 to continue participating in the Household Hazardous Waste Program.

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| SUBMITTED BY: CITY MANAGER | DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE) | PROCESSED BY: CITY SECRETARY |
| | | DATE: |



City of Benbrook

CITY COUNCIL COMMUNICATION

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|-------------------|-----------------------------|---|-----------------|
| DATE: 09/04/08 | REFERENCE NUMBER: G-1798 | SUBJECT: Adopt Ordinance amending Chapter 10.24 of the Benbrook Municipal Code – Speed Limits on Benbrook Boulevard (U.S. 377) | PAGE: 1 of 1 |
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On August 7th, the City Council approved Ordinance 1267 that revised the City Limits on Benbrook Boulevard (U.S. 377) south of Stephens Road and updated the appropriate Municipal Code references for the remainder of Benbrook Boulevard. For simplicity, we revised the references to the 45 mile per hour speed limit north on Benbrook Boulevard north of I-20 as a single segment, even though a short segment (approximately 800 feet) is actually in the City of Fort Worth. The Ordinance was written that way since:

1. Our ordinances do not extend to Fort Worth anyway,
2. The segment in question is zoned for 45 MPH anyway, and
3. We wouldn't have to amend the Ordinance again when we do bring this segment into Benbrook, as part of our land swap negotiations.

The Texas Department of Transportation has objected to the inclusion of this segment within our Ordinance and is requiring that we revise it to conform to their standards. We will need to pass another ordinance once we bring this segment into the City of Benbrook.

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinance amending Chapter 10.24 describing speed limits on Benbrook Boulevard (U.S. Highway 377) from Williams Road to San Saba Street.

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| SUBMITTED BY: CITY MANAGER | DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE) | PROCESSED BY: CITY SECRETARY |
| | | DATE: |