

**MINUTES
OF
CITY OF WHARTON
REGULAR CITY COUNCIL MEETING
JUNE 14, 2004**

Mayor Bryce D. Kocian declared a Regular Meeting duly open for the transaction of business at 7:00 P.M. Councilmember Domingo Montalvo, Jr. led the opening devotion and then Mayor Bryce D. Kocian led the pledge of allegiance.

Councilmembers present were: Mayor Bryce D. Kocian, Councilmembers V. L. Wiley, Jr., David Samuelson, Domingo Montalvo, Jr. and Ray Linseisen.

Councilmember absent was: Councilmembers Ken Freese, and Don Mueller.

Staff members present were: Finance Director/City Secretary Joyce Vasut, Deputy City Secretary Lisa Stavena, Assistant to City Manager Jackie Jansky, Police Chief Tim Guin, Emergency Medical Services Director John Kowalik, Public Works Director Phillip Bush, Building Official Ronnie Bollom, and Assistant City Attorney Amy Rod.

Visitors present were: Benjamin Sharp with Wharton Journal Spectator, Lewis Fortenberry, David Schroeder, Johnnie Roberts, I. O. Coleman, Jr., Carlos Cotton, and Raymond Fisher.

The second item on the agenda was Roll Call and Excused Absences. After some discussion, Councilmember Ray Linseisen made a motion to excuse Councilmembers Ken Freese and Don Mueller from the Regular City Council Meeting held June 14, 2004. Councilmember David Samuelson seconded the motion. All voted in favor.

The third item on the agenda was Public Comments. No comments were given. No action was taken.

The fourth item on the agenda was the Wharton Moment. Councilmember Domingo Montalvo, Jr. publicly thanked Mr. James Kuykendall, Kent Hill and Don Mueller for serving on the Wharton Economic Development Corporation Board.

Councilmember V. L. Wiley, Jr. publicly invited the City Council to attend the Wharton Training School Juneteenth Celebration on Saturday, June 19, 2004.

Mayor Bryce D. Kocian publicly commended the City of Wharton EMS, Police, Fire, Public Works, and Facilities Maintenance Departments for the teamwork during the tornado that occurred on June 8, 2004. No action was taken.

The fifth item on the agenda was to review and consider the reading of the Wharton City Council Minutes from the regular meetings held May 10, 2004 and May 24, 2004 and the special meeting held May 24, 2004. After some discussion, Councilmember Domingo Montalvo, Jr. made a

motion to approve the reading of the Wharton City Council minutes of the regular meetings held May 10, 2004 and May 24, 2004 and the special meeting held May 24, 2004. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The sixth item on the agenda was a report update regarding the June 8, 2004 thunderstorm. Police Chief Tim Guin addressed the City Council and stated that two F1 tornadoes traveled south to north in a parallel path. He said one tornado made a path through the City of Wharton that started near Delmas Street damaging trees in neighborhoods; a garage on Old Boling Road; Eastgate Plaza shopping center; trees, canopy, parking light poles, sign, and column posts at the Wharton Civic Center; Texas Gulf Federal Credit Union building; and the Wharton County Central Appraisal District and Texas Department of Health building. He stated that it was a short event and the areas were quickly secured. He stated that the sirens did not sound for the first tornado since no warning was received from the National Weather Service. He stated that the second tornado was spotted 20 minutes later by a public safety employee; therefore, the siren was sounded for the second tornado. Chief Guin explained that the current protocol to sound the siren requires a warning from the National Weather Service. Councilmember V. L. Wiley, Jr. stated that Emergency Management Assistant Coordinator Chester Houston was not notified. Police Chief Tim Guin stated that a page was sent; however, there was no verification that the page was received. Finance Director stated that the City Departments responded immediately. She publicly commended the Police, Fire, EMS, Public Works, Facilities Maintenance, Civic Center, Communications, and City Hall staff. She stated that Building Official Ronnie Bollom and Facilities Maintenance Director Bob Baker were assessing the damage. She stated that an estimate of \$70,000 worth of damage was made at the Wharton Civic Center. She said that it included trees, landscaping, electrical service, irrigation system, sign, light poles, walk lights, canopy, and column posts. She then stated that an inspection was scheduled with TREMCO for the Civic Center Roof. She stated that twenty businesses were affected, and that the City of Wharton would not meet the guidelines for federal assistance. After some discussion, no action was taken.

The seventh item on the agenda was to review and consider the Wharton County Freedom Fest (WCFF) to be held June 25-26, 2004.

- A. Request by Mr. David Copeland, WCFF Committee Co-Chairman for City of Wharton Assistance. Finance Director/City Secretary Joyce Vasut presented a copy of the letter dated June 4, 2004 from Mr. David Copeland, member of the Wharton County Freedom Fest, Inc. Committee, requesting City of Wharton assistance with the Wharton County Freedom Fest to be held June 25 – 26, 2004. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the request by Mr. David Copeland, WCFF Committee Co-Chairman for City of Wharton Assistance. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.
- B. Temporary permit for Possession/Consumption of Alcoholic Beverages at City parks. Finance Director Joyce Vasut presented a copy of the Wharton Park Facilities Reservation Agreement and a copy of the temporary permit possession/consumption of alcoholic beverages in certain parks application. She said Police Chief Tim Guin had reviewed the temporary permit for possession/consumption of alcoholic beverages in certain parks application and had determined that it complied with the City of Wharton Ordinance No. 2002-22. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to

approve the temporary permit for Possession/Consumption of Alcoholic Beverages at City parks. Councilmember David Samuelson seconded the motion. All voted in favor.

- C. Request to camp and park in Riverfront Park for the Bar-B-Que Cook-off. Finance Director Joyce Vasut stated that in accordance with the City of Wharton Code of Ordinances Chapter 54 Parks and Recreation, Section 52-2, Operating or parking motor vehicles in parks, it was unlawful to operate any motor vehicles in the City's parks. Also, in accordance with Section 52-7, Hours for use of city parks; penalty for violation, the hours the City parks are open to the public for daily use is from 6:00 a.m. to 10:00 p.m. She said the Freedom Festival Committee was requesting City Council approval to allow parking and camping in Riverfront Park for the Bar-B-Que Cook-off. After some discussion, Councilmember Ray Linseisen made a motion to approve the request to camp and park in Riverfront Park for the Bar-B-Que Cook-off. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The eighth item on the agenda was to review and consider the Wharton County Appraisal District Annual Financial Audit for the year ended December 31, 2003. Finance Director/City Secretary Joyce Vasut presented a copy of the Wharton County Appraisal District Annual Financial Audit for the year ended December 31, 2003 that reflected General Fixed Assets of \$379,612, Revenues of \$636,410, Expenditures of \$590,615, with a fund balance of \$174,180. After some discussion, Councilmember Ray Linseisen made a motion to approve the Wharton County Appraisal District Annual Financial Audit for the year ended December 31, 2003. Councilmember David Samuelson seconded the motion. All voted in favor.

The ninth item on the agenda was to review and consider the request by Wharton Tractor Company, c/o E. H. Wozniak, 1007 North Richmond Road, Wharton Block 40, Lot 2A, 3 for an interior side yard setback variance for the placement of a 21 x 20 feet carport. Finance Director/City Secretary Joyce Vasut presented a copy of the memorandum dated June 7, 2004 from Building Official Ronnie Bollom regarding the request from Wharton Tractor Company, c/o E. H. Wozniak, 1007 North Richmond Road, Wharton Block 40, Lot 2A, 3 for an interior side yard setback variance for the placement of a 21 x 20 feet carport. She then presented a copy of the City of Wharton Planning Commission Application for Variance. Since the variance request was for more than 50%, the request was submitted directly to the City Council. Building Official Ronnie Bollom stated that Mr. Wozniak was requesting approval of the two-vehicle carport. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the request by Wharton Tractor Company, c/o E. H. Wozniak, 1007 North Richmond Road, Wharton Block 40, Lot 2A, 3 for an interior side yard setback variance for the placement of a 21 x 20 feet carport. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The tenth item on the agenda was to review and consider the Planning Commission recommendation for City Council approval of the request by Dr. Robert S. Vineyard for a preliminary re-plat at North Rusk Street and Kelly Street of Wharton, Block 48, Lot 2 and 3A. Finance Director/City Secretary Joyce Vasut presented a copy of the memorandum dated June 7, 2004 from Planning Commission Chairman A. J. Rath recommending City Council approval of the request by Dr. Robert S. Vineyard for a preliminary re-plat at North Rusk Street and Kelly Street of Wharton, Block 48, Lot 2 and 3A. She then presented a copy of the Commission Communications presented during the June 7, 2004 Planning Commission meeting. Mrs. Vasut

stated that the final replat would have to be presented to City Council for approval. After some discussion, Councilmember David Samuelson made a motion to approve the Planning Commission recommendation for City Council approval of the request by Dr. Robert S. Vineyard for a preliminary re-plat at North Rusk Street and Kelly Street of Wharton, Block 48, Lot 2 and 3A. Councilmember Ray Linseisen seconded the motion. All voted in favor.

The eleventh item on the agenda was review and consider an ordinance amending the City of Wharton Code of Ordinances, Chapter 18, Building and Construction, Article V. Electrical Code; Providing that a violation of the ordinance or any part of the code as adopted hereby shall constitute a penalty upon conviction of a fine; and setting an effective date. Finance Director/City Secretary Joyce Vasut stated that the Electrical Board met Tuesday, June 8, 2004 and was recommending the City Council amend the City of Wharton, Code of Ordinances, Chapter 18, Building and Construction, Article V. Electrical Code, Section 18-173, 174, 176, and 177, to include the recognition of the State of Texas License for Master, Journeyman, Maintenance Electrician, and Electrical Sign Contractor. She then presented a copy of the memorandum dated June 8, 2004 regarding the recommendation and a draft ordinance indicating the sections that could be amended. Building Official Ronnie Bollom addressed the City Council and stated that the proposed ordinance included acceptance of the master electrical license from City of Houston and the State Master electrical license. After some discussion, Councilmember Ray Linseisen made a motion to approve Ordinance No. 2004-11, which read as follows:

**CITY OF WHARTON
ORDINANCE NO. 2004-11**

AN ORDINANCE AMENDING THE CITY OF WHARTON CODE OF ORDINANCES, CHAPTER 18, BUILDING AND CONSTRUCTION, ARTICLE V. ELECTRICAL CODE; PROVIDING THAT A VIOLATION OF THE ORDINANCE OR ANY PART OF THE CODE AS ADOPTED HEREBY SHALL CONSTITUTE A PENALTY UPON CONVICTION OF A FINE; AND SETTING AN EFFECTIVE DATE.

BE IT ORDAINED by the City Council of the City of Wharton, Texas:

SECTION I: Amendment

WHEREAS, it is the desire of the City of Wharton to adopt, in all respects, the National Electrical Code, 2002 Edition with its latest revisions; and

WHEREAS, amending Section 18-173 of the City of Wharton Code of Ordinances to read as follows:

Sec. 18-173. Master electrician's license.

- (a) Application for a license as a master electrician shall be made in writing to the building official, stating the name and address of the applicant, a statement as to the active and practical experience of the applicant and such other relevant information as may be required by the building official.

- (b) The applicant for a license as master electrician shall, in his application for a license or the renewal of a license, state the firm name under which he will do business, the business address and the names of the partners or officers of the corporation.
- (c) To qualify for a master electrician license, the applicant must prove to the satisfaction of the building official either of the following:
 - (1) Current registration as a professional electrical engineer in the state; or
 - (2) Four years' experience as a journeyman electrician or the equivalent thereof as specifically approved by the electrical board. The completion of each equivalent year of study of an engineering curriculum at an accredited college of engineering shall count as a year of the required experience, but not more than three years shall be credited for this course; and
 - (3) International Code Council master's electrician's certification; or
 - (4) City of Houston master's electrician's certification, or
 - (5) State of Texas Master's License.
- (d) No master electrician's license shall be issued until he shall have arranged to carry the following insurance or having been issued such license may be revoked if such insurance is not kept in force:
 - (1) Comprehensive general liability as follows:
 - a. \$300,000.00 combined single limits, bodily injury and property damage, per occurrence, including products and completed operations, \$300,000.00 aggregate, \$300,000.00 personal and advertising liability, \$50,000.00 fire and legal liability and \$5,000.00 medical payments liability.
 - (2) Such insurance shall be written by an accredited company under the supervision of the board of insurance commissioners of the state.
 - (3) Evidence of the compliance with the insurance requirements of this subsection shall be considered as having been met when the policy, copies thereof or certificates of insurance have been filed with and approved by the chief electrical inspector. Such policies shall include an endorsement thereon that the building official shall be notified at least ten days in advance if the policies are canceled or expire before the expiration date of the license.
- (e) A master electrician who so desires may change his license from active to inactive by application to the city. An inactive license places the master electrician in the position that he may renew his license to active status by complying with subsections (c) and (d) of this section and paying the renewal fee for an active license. Any master electrician who shall have been inactive for a period of five years or more shall have to qualify the same as if having never been licensed.

- (f) An inactive master shall be prohibited from engaging in any form of electrical contracting within the city, and electrical permits shall not be issued in his name during the period of this inactive status.
- (g) Each master electrician shall be assigned a number which will be his permanent identification; this assigned number will appear on the master electrician's license each year when renewed and shall be displayed in his current place of business. A master electrician who is employed as a master electrician for a person, firm or corporation shall take out electrical permits only for that person, firm or corporation. A master electrician who is engaged in the electrical business for himself shall take out electrical permits for his business only.
- (h) A master electrician's initial license fee shall be \$100.00. The renewal fee shall be \$25.00.
- (i) All licenses are to expire on December 31 annually.

WHEREAS, amending Section 18-174 of the City of Wharton Code of Ordinances to read as follows:

Sec. 18-174. Registration of journeyman electrician.

- (a) No person shall undertake any work as a journeyman electrician unless such person shall have first registered with the building official and received his certificate from the building official as a journeyman electrician.
- (b) An application for a certificate as journeyman shall be made in writing to the building official, stating the name and address of the applicant, a statement as to the active and practical experience of the applicant and such other relevant information as may be required by the building official.
- (c) The certificate issued to a journeyman electrician shall specify the name and address of the person to whom the certificate is issued and the date of the issuance thereof, the expiration date and such other information as may be deemed relevant by the building official.
- (d) To qualify for a journeyman electrician's certificate, the applicant must prove to the satisfaction of the building official the following:
 - (1) Four years of active and practical experience, during which four year period he shall have devoted not less than two-thirds of his time, exclusive of normal periods of rest and recreation, to electrical work in general. For the purpose of this subsection, a degree or diploma from an accredited school of electrical engineering shall be considered as the equivalent of two years' active and practical experience; and
 - (2) International Code Council journeyman electrician's certification; or

- (3) City of Houston journeyman electrician's certification, or
 - (4) State of Texas Journeyman's License.
- (e) Every holder of such journeyman electrician's certificate shall carry his certificate while performing acts, which such certificate entitles him to perform.
 - (f) A journeyman's initial certificate fee shall be of \$25.00. The renewal fee for this certificate shall be \$10.00.
 - (g) All certificates shall expire on December 31 of each year.

WHEREAS, amending Section 18-176 of the City of Wharton Code of Ordinances to read as follows:

Sec. 18-176. Registration of maintenance electrician.

- (a) It shall be unlawful for any person to do any electrical maintenance work unless such person is a maintenance electrician, licensed under the provisions of this article; provided, however, this section shall not prohibit a journeyman electrician employed not on a permanent basis, but temporarily, from doing such electrical maintenance work under the supervision, direction and control of a maintenance electrician, licensed under the provisions of this article, without the journeyman electrician having to obtain a license as a maintenance electrician. Should the holder of a journeyman electrician's certificate at any time bring himself within the definition of a maintenance electrician by becoming employed on a permanent basis and in general as provided for in the definition of "maintenance electrician," such journeyman electrician shall be required to obtain a license as a maintenance electrician, in addition to his journeyman electrician's certificate.
- (b) Nothing in this section shall be construed to limit the right of a master electrician to perform such electrical maintenance work or to limit such work being performed by a journeyman electrician under the supervision, direction or control of a master electrician or to prohibit an apprentice from working under the direct personal and constant supervision of a maintenance electrician.
- (c) An application for a maintenance electrician's certificate shall be made in writing to the building official, stating the name and address of the applicant and a statement as to the active and practical experience of the applicant.
- (d) To qualify for a maintenance electrician's certificate.
 - (1) International Code Council maintenance electrician's certification, or
 - (2) State of Texas Maintenance electrician's license.
- (e) The initial fee for a maintenance electrician's certificate shall be \$25.00. The renewal fee shall be \$10.00.

- (f) All certificates shall expire on December 31 annually.
- (g) Every holder of a maintenance electrician's certificate shall notify the building official immediately when such holder makes any change in his employment, giving in such notice the name of his new employer and the location of the premises in or on which he is to be employed to perform maintenance electrical work.

WHEREAS, amending Section 18-177 of the City of Wharton Code of Ordinances to read as follows:

Sec. 18-177. Electrical sign contractor's license.

- (a) This section shall apply to those persons who undertake the business of manufacture and/or installation of electric signs and conductors and equipment for signs and outline lighting, as defined in the National Electrical Code, and for inside lighting with high-voltage gas tubes. Any person qualifying under this section shall be known as an "electrical sign contractor" and shall not be required to be a master electrician or maintenance electrician.
- (b) An electrical sign contractor shall be permitted to manufacture, install and do such wiring as is required to connect the sign, outline lighting or inside lighting to an existing circuit that has been approved by the building official for connection of the specific load covered by the permit issued. Should the available circuit not be adequate for the specific sign and outline lighting load to be connected, a master electrician shall be employed by the owner or his agent to install the necessary wiring required to provide the required capacity and circuits for the proposed signs and outline lighting. An electrical sign contractor shall be permitted to install the necessary service and circuits for an isolated sign and/or outline lighting installation. The electrical sign contractor shall employ only properly registered journeyman electricians and apprentice electricians to perform any electrical work requiring a permit under this article.
- (c) For the purposes of this section, the term "isolated sign and/or outline lighting installation" means an installation in which neither the meter nor service supplying such installation or any of the sign or outline lighting is mounted on or in any building or structure not a part of such sign or outline lighting.
- (d) As applied in this section, signs or outline lighting on the exterior of a building must have the circuit available on the exterior of the building.
- (e) Before any person, except a master electrician, shall engage in the business of electrical sign contractor, he shall make application to the building official for an electrical sign contractor's license. The application shall state the name of the person who will sign applications for permits, the business address, the name under which business will be transacted and such other relevant information as deemed necessary by the building official.

- (f) To qualify for a electrical sign contractor's license:
 - (1) Shall be the same as those of a master electrician in all respects.
 - (2) Insurance requirements for an electrical sign contractor shall be the same as a master electrician.
 - (3) International Code Council master sign electrician's certification, or
 - (4) State of Texas Master Sign Electrician's license
- (g) The initial fee for the license shall be \$100.00. The renewal fee shall be \$25.00.
- (h) All licenses shall expire on December 31 annually.
- (i) All work performed and materials, apparatus, devices, appliances, fixtures or equipment used shall conform with the full requirements of this article. Any electric sign built within the city and to be installed within the city shall be inspected by the building official before the sign is erected. Signs constructed outside the city but erected within the city shall be subject to the same rules and regulations as apply to signs constructed within the city. After approval by the building official, such official shall attach an approval label or stamp to the sign.
- (j) Nothing in this section shall be construed as preventing a licensed master electrician from engaging in the business of electrical sign contractor, but the master electrician shall otherwise comply with the requirements of this section as to rules for sign work.
- (k) Any person installing any type of electrical sign or sign standards must be a qualified sign contractor with a permanent place of business and listed as such.

Separability

If any court of competent jurisdiction rules that any section, subsection, sentence, clause, phrase, or portion of this ordinance is invalid or unconstitutional, any such portion shall be deemed to be a separate, distinct, and independent provision, and any such ruling shall not affect the validity of the remaining portions hereof.

Fine and Penalty for Violations

Section 18-145 Any person violating any of the terms or provisions of this article shall be guilty of a misdemeanor and upon conviction shall be fined in any sum not less than \$100.00 nor more than the maximum provided in Section 1-5 for each offense. If the terms or provisions of this article are violated by any corporation or firm, the officers and agents actively in charge of the business of such corporation or firm and person actually performing the work for such corporation or firm shall be subject to the penalties provided in this section.

Effective Date

This Ordinance shall become effective on the 25th day of June 2004 at 12:01 a.m.

Passage and Approval

PASSED AND APPROVED by the City Council of the City of Wharton, Texas, on the 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT
City Secretary

APPROVED AS TO FORM:

PAUL WEBB
City Attorney

Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The twelfth item on the agenda was to review and consider a resolution of the Wharton City Council authorizing the City of Wharton Wastewater Treatment Plant Renewal of Permits 10381-001 and 10381-002 to the Texas Commission on Environmental Quality. Finance Director/City Secretary Joyce Vasut stated that the City's two wastewater treatment plants permits would expire in December 2004. The permits renewals should be submitted at least six months prior to their expiration. She said the City Staff had prepared the permit renewals and was requesting City Council authorization to submit the renewals. She then presented a copy of the draft resolution authorizing submission, to the Texas Commission on environmental Quality, of the City of Wharton Wastewater Treatment Plant Permit Renewals 10381-001 and 10381-002. Mayor Bryce D. Kocian asked how long the permit was valid. Public Works Director Phillip Bush stated that the permit was valid for four years. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve Resolution No. 2004-42, which read as follows:

**CITY OF WHARTON
RESOLUTION 2004-42**

A RESOLUTION OF THE WHARTON CITY COUNCIL AUTHORIZING THE SUBMISSION OF THE CITY OF WHARTON WASTEWATER TREATMENT PLANT RENEWALS OF PERMITS 10381-001 AND 10381-002 TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY.

WHEREAS, the City of Wharton owns and operates a Wastewater Treatment Plant, Permit No. 10381-001, located on South East Avenue, Wharton, Texas; and

WHEREAS, the City of Wharton owns and operates a Wastewater Treatment Plant, Permit No. 10381-002, located on Highway 59, Wharton, Texas; and

WHEREAS, the City of Wharton, as applicant, must renew the permit because of its expiration on December 1, 2004; and

WHEREAS, pursuant to 30 TAC Section 305.63 of the Texas Administrative Code, it is required to file an application for renewal of the existing permit prior to the date of expiration; and

WHEREAS, the City of Wharton must authorize a City representative to act on its behalf regarding the application renewal process.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS that:

Section I: The City Council of the City of Wharton hereby authorizes City Manager Andres Garza, Jr. as its representative to act on its behalf regarding the renewal of Permit No. 10381-001 for the City's Wastewater Treatment Plant located on South East Avenue, Wharton, Texas.

Section II: The City Council of the City of Wharton hereby authorizes City Manager Andres Garza, Jr. as its representative to act its behalf regarding the renewal of Permit No. 10381-002 for the City's Wastewater Treatment Plant located on Highway 59, Wharton, Texas.

Section III. City Manager Andres Garza, Jr. is authorized to act on behalf of the City of Wharton on all matters related to the application renewal.

Section IV. City Manager Andres Garza, Jr. is hereby authorized to submit the application renewal to the Texas Commission on Environmental Quality.

Section V. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember Ray Linseisen seconded the motion. All voted in favor.

The thirteenth item on the agenda was to review and consider the Consumer Confidence Report (CCR) - 2003 Drinking Water Quality Report. Finance Director/City Secretary Joyce Vasut informed the City Council that the City of Wharton must provide all utility customers with a copy of the Consumer Confidence Report (CCR) – 2003 Drinking Water Quality Report. She stated that the City Staff would reproduce the reports for distribution during the month of June 2004. She then presented a copy of the press release that would be published in the Wharton Journal Spectator informing the utility customers that a public meeting would be held on the date the City Council sets for a public meeting. She said the public meeting would be held to provide an opportunity for public participation should anyone have questions or concerns regarding the report. She stated TCEQ rules and regulations required the City to distribute the CCR reports to all utility customers by July 1, 2004. She then presented a copy of the letter dated May 12, 2004, which the City received June 7, 2004, from Ms. Alicia Diehl, of TCEQ informing the City of the CCR reporting requirements. Councilmember David Samuelson stated that City of Wharton did not have any detected coliform according to the Consumer Confidence Report. After some discussion, Councilmember David Samuelson made a motion to approve the Consumer Confidence Report (CCR) - 2003 Drinking Water Quality Report and to set the public hearing for June 24, 2004 at 7:00 p.m. Councilmember Ray Linseisen seconded the motion. All voted in favor.

The fourteenth item on the agenda was to review and consider a resolution of the Wharton City Council authorizing the City of Wharton to create a fund account for the Santa Fe Trail Project. Finance Director/City Secretary Joyce Vasut stated that during the May 24, 2004 regular Wharton City Council meeting, the City Council approved the City of Wharton's participation in the Railway Right-of-way Beautification and Recreation Project, that would create a hike and bike trail and park area along the old Santa Fe railroad right-of-way purchased by the City. She stated that the project committee met June 7, 2004 and had renamed the project as the Santa Fe Trail Project. The City of Wharton Beautification Commission would work with other organizations and individuals to collect funds for the project. She stated that the City needed to create a fund account in order to collect and disperse the funds as needed. She then presented a draft resolution establishing a fund account for the project. Mrs. Vasut stated that since the May 24th City Council meeting, the Committee had collected \$1,000 and had pledges totaling \$7,000. She stated that the City of Wharton owned the railway right-of-way. After some discussion, Councilmember Ray Linseisen made a motion to approve Resolution No. 2004-43, which read as follows:

**CITY OF WHARTON
RESOLUTION 2004-43**

A RESOLUTION OF THE WHARTON CITY COUNCIL AUTHORIZING THE CITY OF WHARTON TO CREATE A FUND ACCOUNT FOR THE SANTA FE TRAIL PROJECT.

WHEREAS, the Wharton City Council has approved the City of Wharton's participation in the Railroad Right-of-way Recreation and Beautification Project – Phase I during the regular Wharton City Council meeting held May 24, 2004; and

WHEREAS, the Wharton City Council authorized the Beautification Commission to be the lead organization for the project; and

WHEREAS, The Wharton Beautification Commission has renamed the project the Santa Fe Trail Project; and

WHEREAS, the City of Wharton Beautification Commission has received contributions for the Santa Fe Trail project; and

WHEREAS, the Wharton City Council wishes to create a fund account for the Santa Fe Trail project; and

WHEREAS, the Wharton City Council wishes the City Staff to maintain the financial records for the Santa Fe Trail project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS as follows:

Section I: The City Council of the City of Wharton hereby authorizes City Manager Andres Garza, Jr. to create a fund account for the Santa Fe Trail project.

Section II: The City Council of the City of Wharton hereby authorizes the City Staff to maintain the financial records for the Santa Fe Trail project.

Section III. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCHAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember David Samuelson seconded the motion. All voted in favor.

The fifteenth item on the agenda was to review and consider a resolution of the Wharton City Council amending the City of Wharton Resolution No. 2003-106 establishing the Guidelines and Program Design for FEMA Elevation Grant 1257-DR, Project #UN50-3.2.04. Finance Director/City Secretary Joyce Vasut informed the City Council that the City Council Housing Committee met June 2, 2004 and discussed Texas Department of Public Safety, Division of Emergency Management, FEMA Disaster DR-1257-TX, Contract No. 722067 – Elevation of Homes Project. As a result of the flood of 1998, the Texas Department of Public Safety Division of Emergency Management (DEM) made funding available through the FEMA Disaster Declaration DR-1257. She said the City pursued the grant through the DEM for the FEMA funding and was awarded funding in the amount of \$375,000 to aid the West side of the City. She stated the City also received \$125,000 in funding from the Hazard Mitigation Grant Program

through the Office of Rural Community Affairs (ORCA); however, these funds must be used towards flood mitigation. She stated that the City identified 51 structures, which were submitted to the State, that could be elevated to at or above the 100-year flood plain under the program. Additional homes could not be added. She said that currently, there are 18 homes left of the original 51 due to deaths or the property owners decided to not participate for various reasons. She stated this program was strictly a voluntary program for the property owners. She said the DEM Office has notified the City that the City of Wharton was the first to attempt a project of this nature. Therefore, the City has had to create all agreements that would be required for the project and program guidelines. She said that during the November 24, 2003 regular City Council meeting, the City Council adopted guidelines and program design for the elevation grant by Resolution No. 2003-106. She stated that the Housing Committee discussed the program guidelines in detail and was recommending the City Council consider amending the guidelines previously adopted. Mrs. Vasut then presented a draft resolution amending the guidelines. The proposed guidelines would set eligibility conditions that would need to be met in order to prioritize the order of which homes are selected out of the 18 homes to be elevated. She then presented a copy of a chart indicating the roles of each party. Councilmember David Samuelson stated that the contract states that the City and the contractor would not be responsible for any unforeseen damages caused for the elevation of the homes. He stated that he had concerns for the homeowner taking all the risks. He asked if the insurance would pay the damages that would occur. Councilmember Ray Linseisen stated that there would be no guarantee that the insurance agent would pay for the claim. Assistant City Attorney Amy Rod stated that the project was a high risk; however the contractor would not be released from damages occurred. After some discussion, Councilmember David Samuelson made a motion to approve Resolution No. 2004-44, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2004-44**

A RESOLUTION OF THE WHARTON CITY COUNCIL AMENDING RESOLUTION NO. 2003-106 ESTABLISHING THE GUIDELINES AND PROGRAM DESIGN FOR FEMA ELEVATION GRANT 1257-DR, PROJECT #UN50-3.2.04.

WHEREAS, the Wharton City Council established Guidelines and Program Design for FEMA Elevation Grant 1257-DR, Project E UN50-3.2.04 by Resolution No. 2003-106; and

WHEREAS, the Wharton City of Wharton wishes to amend the guidelines and program design for the FEMA Elevation Grant #1257-DR, Project #UN50-3.2.04 as follows:

| |
|--|
| Program Design FEMA Elevation Grant FEMA-1257-DR, Project # UN50-3.2.04 |
|--|

- I. Definition and Purpose of Designated Grant.** To elevate units located in the defined target area and to repair only those items defined as “qualified eligible expenses” by Texas Department of Public Safety, Division of Emergency Management.

- II. Defined Area.** The city of Wharton, Texas has designated through application to Texas Department of Public Safety, Division of Emergency Management that the target area to benefit from stated assistance is defined as the area bounded by FM 102 on North, Highway 59 on the West, the Colorado River on the South and Sunset Street on the East.
- III. Type of Assistance.** The City of Wharton, Texas has designated through application to Texas Department of Public Safety, Division of Emergency Management that the type of assistance to be provided to qualified applicants will be in the form of a Forgivable Loan.
- IV. Application Qualification.** The City of Wharton, Texas has designated through application to Texas Department of Public Safety, Division of Emergency Management that 100% of proposed applicants receiving assistance will be for owner-occupied units.
- V. Selection Process for Determining Eligibility.**
- a. Unit must be owner-occupied.
 - b. Unit must be located in designated target area.
 - c. Applicants will receive priority scoring if:
 - i. Floodwaters penetrated structure.
 - ii. Applicant is 62 years of age or older.
 - iii. Applicant is disabled as defined by Social Security, SSI, Texas Department of Public Safety or by Doctor's Statement.
 - iv. Applicant is below the 30% median income level for Wharton County, Texas.
 - v. After environmental assessment, Unit is not found to contain potentially hazardous materials (e.g., asbestos, lead paint) that may require special handling or abatement.
 - vi. Applicant can provide satisfactory written evidence to the Director of Community Services, City of Wharton, that Applicant actually occupies the Unit on a full time basis and owns the title to the real estate (land and improvements) at the address in question. (Provide such documents as driver's license; utility bills; title policy; deed; homeowner's insurance policy; Wharton County tax payment certificate, etc.).
 - vii. Applicant demonstrates to the satisfaction of the Director of Community Services that Applicant is current (not delinquent) on all property taxes for all taxing entities in Wharton County, or has an officially pending written protest not to pay same.
 - viii. Applicant execution of a Right-of-Entry and Temporary Ingress and Egress License Agreement to Perform Environmental Assessment Services at the Unit (legal form provided to Applicants by the Director of Community Services, City of Wharton).
 - ix. Applicant execution of the Voluntary Transaction Agreement for Home Elevation Project (legal form provided to Applicants by the Director of Community Services, City of Wharton).
 - x. The funding entity must approve all expenditures made to the elevation of the structures prior to construction.

- xii. All structures must meet a cost benefit ratio that is at 1:1; (cost of improvements versus the valuation of the structure).
 - xiii. The contractor must agree to perform all work approved by the funding entity.
- VI.** The Director of Community Services for the City of Wharton will survey potential program beneficiaries, as defined in the City of Wharton, Texas application to Texas Department of Public Safety, Division of Emergency Management to ascertain applicant's interest in designated program.
- VII.** Upon receipt of the applicants request and information for assistance, information will be screened for completeness and all information related to employment, income, assets and liabilities will be verified in order to determine the applicant's eligibility according to the Texas Department of Public Safety, Division of Emergency Management Guidelines, Policies, and Procedure. The Program Administrator and/or his/her designee shall be responsible for determining the eligibility of each applicant.
- A. The Program Administrator and/or his/her designee will score completed and eligible applications. Once the applicants are reviewed for the required information and for eligibility, the Program Administrator, and City Building Official shall inspect ALL qualified applicant's homes for the feasibility of elevation of unit. The Program Administrator and the City Building Official will make recommendations to the local governing body based upon application verification and initial inspection of properties.
 - B. Upon receipt of the recommendations the approval authority shall approve, disapprove, or modify such recommendations. The funding decisions of the Approval Authority shall be based upon the adopted program policies and procedures and shall be final.
- VIII. Preferences and/or Prioritization.** The City of Wharton will place an emphasis, as defined by Texas Department of Public Safety, Division of Emergency Management, on the elevation of units that do not exceed the designated flood elevation levels, (BFE), and for those units which had flood waters penetrate the unit. The City of Wharton, Texas is a viable urban community, which includes the encouragement and support for decent housing and suitable living environments for persons of low income, and whereas certain substandard housing conditions exist which represent a health and safety threat to families residing in such structures.

Preferences and priorities will be placed upon applicants through scoring criteria, which is:

- a. based upon the percentage of the area median income for Wharton County Texas of 30% or less,
- b. documented disabilities which applicant may have,
- c. and, if floodwaters penetrated the unit.

IV. Priority Rating System. All eligible applicants will be rated on a scoring system in order to establish the priority of funds. This rating process has been designed to incorporate both the family and dwelling characteristics of an applicant in order to establish a system that determines the most needy. Scoring shall be based upon the following factors:

Income: (maximum 25 Points)

- Less than 20% of the applicable median income limits by household size** 25pts
- Less than 25% of the applicable median income limits by household size 20pts
- Less than 30% of the applicable median income limits by household size 15pts

Flood Water Penetration of Unit:

- 1. Yes 5pts
- 2. No 0pts

Disability:

- 1. Yes 5pts
- 2. No 0pts

X. Participant eligibility. In accordance with 24CFR Part 5, and Technical Guide for Determining Income and Allowances, the City of Wharton has defined a “qualified low income household” as a household whose total income does not exceed 30% of the area median income. However, in accordance with Rider 3 of the Departments Appropriation for the current biennium, in those counties where the median income is lower than the State median income, (51,400), the department shall use the State median income in interpreting this rider. The area median income for Wharton, Wharton County, Texas is \$44,700.00. Therefore, Wharton, Texas, which shall be targeting households at or below 30% AMFI shall utilize the 30% average State median income based upon the number of persons in the household:

| 30% Average State Median Income | | | | | | | |
|--|----------|----------|----------|----------|----------|----------|----------|
| 1 person | 2 person | 3 person | 4 person | 5 person | 6 person | 7 person | 8 person |
| \$10,794 | \$12,336 | \$13,878 | \$15,420 | \$16,654 | \$17,887 | \$19,121 | \$20,354 |

XI. Relocation. The City of Wharton has established that the applicant of the Texas Department of Public Safety, Division of Emergency Management Elevation Grant is a voluntary program. The applicant’s action demonstrates elective and voluntary participation in the program.

XII. Homeowner Responsibility. The Homeowner will accept all responsibility for the removal of contents of property if required or for the relocation of self if required. The nature of this Grant is for the elevation of units that are located within flood plains and

are not located above designated flood plain elevations. The City, nor Contractor, will be responsible for:

- i. Homeowner's contents.
- ii. Homeowner's relocation.
- iii. Disconnection of utilities.
- iv. Or, any other unforeseen circumstance, during the phases of elevating or repairing a unit.

XIII. "Local Opportunity Plan". The City of Wharton will advertise for local contractors. The City will obtain a list of qualified contractors. General Contractors will be urged to break down tasks into smaller tasks and seek out local trades, locally owned businesses and low-income residents.

XIX. Contractor Requirements. All contractors will be paid only after the designated job is 100% complete. No draws will be paid. Contractors will be required to supply and maintain.

- i. Workman's Compensation insurance.
- ii. General liability insurance.
- iii. Automotive insurance, and
- iv. Provide a one-year warranty for completed work.

XX. Standards and Specifications. The City of Wharton has adopted the 2000 International Builders Congress Code. All work required will meet or exceed the City of Wharton inspections.

XI. Historically Underutilized Businesses, (HUBS). The City will give opportunities to HUBs and will make an affirmative effort to encourage bids from such contractors. General Contractors will be encouraged to "break out" tasks into smaller tasks to encourage participation. The City will also develop lists of HUBs in the area for general contractors to obtain bids for break out tasks. The City of Wharton will advertise, "break out tasks" in the local newspaper, notices posed in high visible areas, and maintain a master list at City Hall.

WHEREAS, the City of Wharton and the FEMA wishes to be bound by the conditions as set forth in the guidelines.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS as follows:

Section I. That the Wharton City Council hereby accepts the Guidelines and Program Design for FEMA Elevation Grant #1257-DR, Project #UN50-3.2.04, for the following activities:

To elevate units located in the defined target area and to repair only those properties defined as "qualified eligible expenses" by the Texas Department of Public Safety, Division of Emergency Management; and

That grant funds of \$500,000.00 be used to carry out owner-occupied housing elevation projects and eligible soft costs and \$19,800.00 for administration.

Section II. That the Wharton City Council hereby directs and authorizes the Mayor of the City of Wharton, Texas to execute all necessary documents as may be required to initiate and process the requirements.

Section III. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember Domingo Montalvo, Jr. seconded the motion. Councilmembers David Samuelson, Domingo Montalvo, Jr., and Ray Linseisen voted for the motion. Councilmember V. L. Wiley, Jr. abstained. The motion carried.

The sixteenth item on the agenda was a report submission of the Security Vulnerability Self-Assessment, June 30, 2004 for City of Wharton as required by Environmental Protection Agency (EPA). Finance Director/City Secretary Joyce Vasut presented a copy of the letter dated March 5, 2004 from the United States Environmental Protection Agency (EPA) informing the City of Wharton that a Vulnerability Assessment Report to EPA must be submitted by June 30, 2004. She stated that Public Works Director Phil Bush, Police Chief Tim Guin, and Emergency Management Coordinator Harry Priesmeyer had conducted and prepared the assessment for submission. The City Staff was formally informing the City Council of the submission. After some discussion, no action was taken.

The seventeenth item on the agenda was to review and consider the recommendation from the City Council Finance Committee:

- A. Card Reader System and Server for Wharton Municipal Court and Police Department:**
1. Request to purchase server using Municipal Court Building Security Funds.
 2. Authorization to request proposals for the card reader system.

Finance Director/City Secretary Joyce Vasut presented a copy of the memorandum dated May 20, 2004 regarding the purchase of a Municipal Court / Police Department Card Reading System and related information. She stated that the City Council Finance Committee voted to

recommend the City Council consider approving the purchase of the server and to authorize the City Staff to request proposals for the card reader system. Police Chief Tim Guin stated that the City of Wharton could purchase the server from Dell since the product was through the State contract. He requested approval up to \$8,000 for the server. He requested approval to solicit bids for the card reader system. Finance Director Joyce Vasut stated that the funding would be allocated from the Municipal Court Building Security Fund, which currently had a balance of approximately \$24,000. Councilmember David Samuelson asked if software support would be available. Police Chief Tim Guin stated that Dell would provide 3 months of technical support. He stated that he would include software support requirements in the proposal for the card reader system. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the Card Reader System and Server for Wharton Municipal Court and Police Department, purchasing the server using Municipal Court Building Security Funds for the amount not to exceed \$8,000, and the request bid proposals for the card reader system. Councilmember David Samuelson seconded the motion. All voted in favor.

B. Resolution: A resolution approving an agreement between the City of Wharton and Prudentia for EMS Billing and Collections and authorizing the Mayor of the City of Wharton to execute all documents related to said agreement.

Finance Director/City Secretary Joyce Vasut informed the City Council that the agreement between the City of Wharton and Prudentia for EMS Billing and Collection services expired April 1, 2004. She then presented a copy of the previous agreement that also indicated proposed changes. She said the City Council Finance Committee voted to recommend the City Council consider approving the agreement with the proposed changes. She then presented a draft copy of the resolution approving the contract. Ms. Vasut stated that the Finance Committee recommended maintaining and granting access to Prudentia's automated billing and record keeping system, installing all software upgrades with the City of Wharton reimbursing 50% for the software utilized by Prudentia for the City of Wharton, and the contract effective for twelve months. After some discussion, Councilmember Ray Linseisen made a motion to approve Resolution No. 2004-45, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2004 - 45**

A RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF WHARTON, TEXAS TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF WHARTON AND PRUDENTIA, INC. FOR EMERGENCY MEDICAL SERVICE BILLING AND COLLECTION SERVICES.

WHEREAS, the Wharton City Council wishes to authorize the Mayor of the City of Wharton, Texas to execute an Agreement for Emergency Medical Service billing and collection services with Prudentia, Inc.; and

WHEREAS, the City of Wharton and Prudentia, Inc. wishes to be bound by the conditions as set forth in the agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS as follows:

Section I. That the Wharton City Council hereby authorizes the Mayor of the City of Wharton, Texas to execute an agreement for Emergency Medical Service billing and collection services with Prudentia, Inc.

Section II. That Prudential, Inc. and the City of Wharton are hereby bound by the conditions as set forth in the agreement.

Section III. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this the 14th day of June 2004.

CITY OF WHARTON

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember Domingo Montalvo, Jr. seconded the motion. All voted in favor.

C. City Council authorization to seek requests for Proposals for Audit Services for the City of Wharton.

Finance Director/City Secretary Joyce Vasut informed the City Council that the City Staff was currently preparing the request for proposals for audit services for the City of Wharton and was requesting City Council authorization to request the proposals. She said the City Council Finance Committee voted to recommend the City Council authorize the City Staff to solicit proposals for audit services. She then presented a copy of the proposed RFP for audit services. After some discussion, Councilmember David Samuelson made a motion to solicit bid proposals for Audit Services for the City of Wharton. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

D. City Council Authorization to seek requests for Proposals for services to collect delinquent fees and fines.

Finance Director/City Secretary Joyce Vasut informed the City Council that the City Council Finance Committee voted to recommend the City Staff seek requests for proposals for services to collect delinquent fees and fines. She then presented a copy of the draft request for proposals. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to solicit bid proposals for services to collect delinquent fees and fines. Councilmember Ray Linseisen seconded the motion. All voted in favor.

E. Resolution: A resolution of the Wharton City Council establishing a capitalization policy for the City of Wharton, Texas.

Finance Director/City Secretary Joyce Vasut presented a draft resolution establishing a capitalization policy for the City of Wharton. She stated that the Finance Committee voted to recommend the City Council consider adopting the resolution. Mrs. Vasut stated that the City of Wharton's current policy was to capitalize items purchased over the price of \$500 and recommended the amount be changed to \$5,000 since that amount would be beneficial for GASB 34 requirements. After some discussion, Councilmember David Samuelson made a motion to approve Resolution No. 2004-46, which read as follows:

**CITY OF WHARTON
RESOLUTION 2004-46**

A RESOLUTION OF THE WHARTON CITY COUNCIL ESTABLISHING A CAPITALIZATION POLICY FOR THE CITY OF WHARTON, TEXAS.

WHEREAS, The City of Wharton wishes to establish a capitalization policy for the purchase of movable and fixed equipment, land, land improvements, building and building renovations, and utility infrastructure; and

WHEREAS, The City wishes to capitalize all movable and fixed equipment having a useful life in excess of one year and a cost in excess of \$5,000 per single working unit (a piece of equipment that when assembled functions as a stand-alone unit); and

WHEREAS, The City of Wharton wishes to depreciate all buildings and equipment using the straight-line method over the useful life of the asset; and

WHEREAS, The City of Wharton wishes to retire assets when it has been determined that the asset is no longer operable, has been replaced, or is no longer available for use.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wharton, as follows:

Section 1: That the City of Wharton hereby establishes a City of Wharton Capitalization Policy for the purchase of movable and fixed equipment, land, land improvements, building and building renovations, and utility infrastructure.

Section 2: That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT
City Secretary

Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

F. Resolution: A resolution of the Wharton City Council establishing a fund balance and retained earnings policy for the City of Wharton, Texas.

Finance Director/City Secretary Joyce Vasut presented a draft resolution establishing a fund balance and retained earnings policy for the City of Wharton. She stated that the City Council Finance Committee voted to recommend the City Council consider approving the resolution. Mrs. Vasut stated that no formal policy was established for fund balance and the auditors recommended setting a fund balance equivalent to 3 months of the operating budget. She stated that the City of Wharton currently met all the requirements as set forth in the resolution. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve Resolution No. 2004-47, which read as follows:

**CITY OF WHARTON
RESOLUTION 2004-47**

**A RESOLUTION OF THE WHARTON CITY COUNCIL ESTABLISHING A FUND BALANCE
AND RETAINED EARNINGS POLICY FOR THE CITY OF WHARTON, TEXAS.**

WHEREAS, The term fund balance describes the net assets of governmental funds calculated in accordance with generally accepted accounting principles (GAAP); and

WHEREAS, The fund balance is intended to serve as a measure of the financial resources available in a governmental fund; and

WHEREAS, The fund balance are distinguished as either reserved fund balance or unreserved fund balance and only the unreserved fund balance is available for spending and a designated portion of the unreserved fund balance may be set aside to indicate that the governing body has tentative plans for its use; and

WHEREAS, It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates; and

WHEREAS, The City should strive to maintain the General Fund undesignated fund balance at three (3) months operating expenditures and the debt service fund balance at a minimum of one-half the annual obligations; and

WHEREAS, The City should strive to maintain a positive retained earnings position in all other enterprise operating funds to provide sufficient reserves for emergencies and revenue shortfalls and specifically in the Water and Sewer Enterprise Fund, an operating reserve of 20% of the operating budget should be maintained; and

WHEREAS, The fund balance and retained earnings shall be used only for emergencies, non-recurring expenditures or major capital purchases that can not be accommodated through current year savings; and

WHEREAS, Should such use reduce the balances below the appropriate level set for that fund, restoration recommendations must accompany the decision to utilize said balance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wharton, as follows:

Section 1: The Wharton City Council hereby establishes a Fund Balance and Retained Earnings Policy for the City of Wharton as outlined above.

Section 2: That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember David Samuelson seconded the motion. All voted in favor.

The eighteenth item on the agenda was to review and consider the recommendation by the City Council Public Works Committee:

A. Authorization to solicit bids for the 2004 Street Improvement Program.

Finance Director/City Secretary Joyce Vasut presented a copy of the memorandum dated June 9, 2004 from the City Council Public Works Committee recommending the City Council authorize the City Staff to solicit bids for the 2004 Street Improvement Program. She then presented a copy of a map indicating the location of the streets that would be either reconstructed or seal-coated. Councilmember David Samuelson asked if the 2004 Street Improvement Program was budgeted. Finance Director Joyce Vasut stated that the 2004 Street Improvement Program was budgeted under the Capitalization Budget. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve solicitation of bids for the 2004 Street Improvement Program. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

B. Authorization to proceed with the televising of the Richmond Road sanitary sewer line.

Finance Director/City Secretary Joyce Vasut informed the City Council that the Public Works Committee voted to recommend the City Council consider approving the televising of the Richmond Road Sewer Line. Mr. Carlos Cotton addressed the City Council and stated that the televising would allow a recommendation for solicitation of bids for pipe bursting or replacement. He stated that with televising, the bid received would not be overstated for services not needed. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the televising of the Richmond Road sanitary sewer line. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The nineteenth item on the agenda was to review and consider the recommendation by the Wharton Regional Airport – Airport Board to submit a request for funding under the 2004 Routine Airport Maintenance Grant Program (RAMP). Finance Director/City Secretary Joyce

Vasut informed the City Council that during the May 4, 2004 regular Airport Board meeting, the Board Members identified four projects that could be considered under the 2004 RAMP grant program. Public Works Director Phil Bush had provided the following estimates to complete the four proposed projects:

1. Install fencing from end of new hangar to new parking pad and tie to existing fence.
\$2,580
2. Purchase replacement lamps for runway.
No estimate
3. Construct an all weather road from taxiway to AWOS system.
\$4,004
4. Asphalt area to tie in apron at the Industrial Hangar (approximately 100 feet x 60 feet).
\$26,942

She stated that these four projects would cost \$33,526 according to the estimate to complete. The Airport Board also discussed including the monthly maintenance fees for the AWOS system in the program. The cost for the NADIN Interface monthly maintenance fee was \$195.00 per month or \$2,340 per year. She said this cost could be included under the RAMP program; however, the fees would be reimbursed up to 50% under the grant and would only include those months that the system was operational and all agreements are in place. A new agreement under the RAMP program would need to be in place for each year in order for the City to be reimbursed for the fees. She then presented a copy of the quotes provided me by Mr. Bush. Mrs. Vasut presented also presented a copy of the options for the AWOS system and the information regarding the monthly maintenance fee reimbursement. She stated that the Wharton Regional Airport Board met Monday, June 14, 2004 at 5:30 p.m. and presented a recommendation from the Airport Board. The Wharton Regional Airport was recommending the City Council consider approving the following:

1. Appointing the Airport Board to serve as the Steering Committee for the Airport Action Plan Project and to authorize the Board to appoint additional members. These members should include individuals from El Campo, East Bernard, County and City.
2. RAMP - The Airport Board Members was recommending the following items be submitted as projects under the Routine Airport Maintenance Program:
 - a. Install fencing from end of new hangar to new parking pad and tie to existing fence for the amount of \$2,580.
 - b. Construct an all weather road from taxiway to AWOS system for the amount of \$4,004.
 - c. Asphalt area to tie in apron at the Industrial Hangar (approximately 100 feet x 60 feet) for the amount of \$26,942.

Finance Director Joyce Vasut stated that the work performed would be in-house. Public Works Director Phillip Bush stated that the RAMP program would be conducted along with the 2004 Street Improvement Project. After some discussion, Councilmember V. L. Wiley, Jr. made a motion to approve the submission for funding under the 2004 Routine Airport Maintenance Grant Program (RAMP). Councilmember Ray Linseisen seconded the motion. All voted in favor.

The twentieth item on the agenda was to review and consider a resolution of the Wharton City Council creating and appointing a Steering Committee for the Wharton Regional Airport – Airport Development Plan Project. Finance Director/City Secretary Joyce Vasut stated that

during the May 24, 2004 regular Wharton City Council, Mr. Ed Addicks, P.E., Vice-President of O'Malley Engineers, LLP provided the City Council with an update regarding the Wharton Regional Airport Action Plan. She said that Mr. Addicks requested the City Council consider renaming the project to the Airport Development Plan and to appoint a steering committee to work with O'Malley Engineers in the development of the plan. She stated that the City Council determined that the Wharton Regional Airport Board Members should act as the Steering Committee for the plan and that a formal resolution appointing the Board be placed on the agenda for the next meeting. She then presented a draft copy of the resolution appointing the Wharton Regional Airport Board Members as the Steering Committee for the Airport Development Plan project. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve Resolution No. 2004-48, which read as follows:

**CITY OF WHARTON
RESOLUTION 2004-48**

A RESOLUTION OF THE WHARTON CITY COUNCIL CREATING AND APPOINTING A STEERING COMMITTEE FOR THE WHARTON REGIONAL AIRPORT-AIRPORT DEVELOPMENT PLAN PROJECT.

WHEREAS, the City of Wharton determined that a plan to promote and expand the Wharton Regional Airport should be developed; and

WHEREAS, on March 19, 2004, the Texas Department of Transportation – Aviation Division, the City of Wharton's agent for the Airport Action Plan, awarded a contract with O'Malley Engineers, LLP to develop the plan; and

WHEREAS, the Wharton City Council wishes to create a Steering Committee to work with the Texas Department of Transportation Aviation Division, O'Malley Engineers, LLP and the Wharton City Council develop the plan; and

WHEREAS, the Wharton City Council wishes to rename the Airport Action Plan Project as the Airport Development Plan; and

WHEREAS, the Wharton City Council wishes to appoint the Wharton Regional Airport Board as the members of the Steering Committee to assist with the development of the Airport Development Plan.

WHEREAS, the Wharton City Council wishes to authorize the Airport Board to appoint additional members to the Steering Committee as deemed necessary.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS as follows:

Section I: The City Council of the City of Wharton hereby appoints the Wharton Regional Airport Board Members as the Steering Committee to work with the Texas Department of Transportation – Aviation Division, O'Malley Engineers, LLP, and the Wharton City Council to develop the Wharton Regional Airport – Airport Development Plan.

Section II. The City Council hereby authorizes the Airport Board to appoint additional member to the Steering Committee as deemed necessary.

Section III. That this resolution shall become effective immediately upon its passage.

Passed, Approved, and Adopted this 14th day of June 2004.

CITY OF WHARTON, TEXAS

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT

City Secretary

Councilmember Ray Linseisen seconded the motion. All voted in favor.

The twenty-first item of the agenda was to review and consider the Wharton City Council appointment of a Parks Planning Committee for the development of a Parks Master Plan for the City of Wharton.

Finance Director/City Secretary Joyce Vasut informed the City Council that during the May 24, 2004 regular Wharton City Council meeting, the City Council approved Resolution No. 2004-40 establishing a Parks Planning Committee for the development of a Parks Master Plan for the City of Wharton. She then presented a copy of the resolution stating that the committee should consist of seven to nine members. The City Council agreed to recommend interested individuals during the next meeting (June 14th) that could serve on the committee. She said several recommendations have been made, which are as follows:

Kim Singleton

Abby Schubach

Kathy Reynolds

Gary Raybon

Terry Freese

Curtis Evans

Tammy Walker Brown

David Schroeder

She stated that the City Council may appoint the recommended individuals to serve as the Parks Planning Committee. After some discussion, Councilmember David Samuelson made a motion to approve the appointment of a Parks Planning Committee for the development of a Parks Master Plan for the City of Wharton, which consisted of: Kim Singleton, Abby Schubach, Kathy Reynolds, Gary Raybon, Terry Freese, Curtis Evans, Tammy Walker Brown, and David Schroeder. Councilmember Domingo Montalvo, Jr. seconded the motion. All voted in favor.

The twenty-second item on the agenda was appointments to the City of Wharton Boards, Commissions, and Committees:

- A. Wharton Regional Airport Board.
- B. Beautification Commission.
- C. Building Standards Commission.
- D. Electrical Board.
- E. Holiday Lighting Commission.
- F. Planning Commission.
- G. Plumbing and Mechanical Board.
- H. Youth Advisory Commission.

Finance Director/City Secretary Joyce Vasut presented a copy of the current Board, Commission, and Committee Members. She then presented a copy of the memorandum dated June 10, 2004 by Jeffrey Blair, Chairman of the Beautification Commission regarding the Beautification Commission's recommendation to appoint Mack Mathis, Iris Albrecht, Lewis Fortenberry, Jr., Dick Wozniak, and Walter Garrett as new members. After some discussion, Councilmember Ray Linseisen made a motion to appoint the following:

AIRPORT BOARD (TWO YEAR TERM)

First Tuesday each month at 6:30 p.m.

| | | | |
|--------------|--------------|----|---------------|
| Garland Mann | July 1, 2004 | to | June 30, 2006 |
| David Allen | July 1, 2004 | to | June 30, 2006 |
| Glenn Erdelt | July 1, 2004 | to | June 30, 2006 |

BEAUTIFICATION CITY COMMISSION (TWO YEAR TERM)

Second Wednesday each month at 4:30 p.m.

| | | | |
|------------------------|--------------|----|---------------|
| Merrell "Doc" Barfield | July 1, 2004 | to | June 30, 2006 |
| Mack Mathis | July 1, 2004 | to | June 30, 2006 |
| Iris Albrecht | July 1, 2004 | to | June 30, 2006 |
| Lewis Fortenberry, Jr. | July 1, 2004 | to | June 30, 2006 |
| Dick Wozniak | July 1, 2004 | to | June 30, 2006 |
| Walter Garrett | July 1, 2004 | to | June 30, 2006 |

BUILDING STANDARDS COMMISSION (TWO YEAR TERM)

Third Thursday each month at 5:30 p.m.

| | | | |
|------------------|--------------|----|---------------|
| Chester Houston | July 1, 2004 | to | June 30, 2006 |
| Gary Nunez | July 1, 2004 | to | June 30, 2006 |
| Howard Singleton | July 1, 2004 | to | June 30, 2006 |

ELECTRICAL BOARD (TWO YEAR TERM)

Meet as needed.

| | | | |
|---------------|--------------|----|---------------|
| Wayne Adam | July 1, 2004 | to | June 30, 2006 |
| Max Barbee | July 1, 2004 | to | June 30, 2006 |
| Scott Stewart | July 1, 2004 | to | June 30, 2006 |

PLANNING COMMISSION (TWO YEAR TERM)

First and Third Monday each month at month at 4:00 p.m.
Or as needed

| | | | |
|-----------------|--------------|----|---------------|
| A.J. Rath | July 1, 2004 | to | June 30, 2006 |
| Michael Wootton | July 1, 2004 | to | June 30, 2006 |
| Walter Garrett | July 1, 2004 | to | June 30, 2006 |

Councilmember David Samuelson seconded the motion. All voted in favor.

The twenty-third item on the agenda was to review and consider the Debris Collection Agreement with Waste Management. Finance Director/City Secretary Joyce Vasut informed the City Council that Mr. Gary Bullard, Marketing Director and Dan Marks, Area Manager of Waste Management was contacted on June 10, 2004 to discuss the collection of the debris resulting the thunderstorm and tornado's that occurred June 8, 2004. She stated that Mr. Bullard provided an estimate of the cost to collect the debris totaling approximately \$16,000 to \$20,000 for brush disposal. She then presented an estimate provided by Public Works Director Phil Bush for the removal conducted by the City of Wharton in the amount of approximately \$7,000 to \$10,000 that included using City equipment and personnel. She stated that Wharton County had also indicated that the City could use the Counties woodchipper at no cost, which would reduce the disposal cost to use the landfill. Public Works Director Phillip Bush addressed the City Council and recommended the City Council authorize the City Staff to pick-up and dispose of the brush in-house. He stated that the City Staff could complete the project within two weeks; which was the same amount of time that Waste Management would have the debris removed. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to authorize the City Staff to remove the debris in the City of Wharton from the tornado occurring on Tuesday, June 8, 2004. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The twenty-fourth item on the agenda was to review and consider the City Council Boards, Committees, and Commission Reports:

- A. Electrical Board meetings held May 26, 2004 and June 8, 2004.
- B. City Council Finance Committee meeting held May 27, 2004.
- C. City Council Public Works Committee meeting held June 1, 2004.
- D. City Council Housing Committee meeting held June 2, 2004.
- E. Planning Commission meeting held June 7, 2004.
- F. Beautification Commission meeting held June 9, 2004.
- G. Wharton Regional Airport Board meeting held June 14, 2004.

Finance Director/City Secretary Joyce Vasut presented the reports to the City Council. No action was taken.

The twenty-fifth item on the agenda was adjournment. After some discussion, Councilmember Don Mueller made a motion to adjourn. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The meeting adjourned at 8:23 p.m.

CITY OF WHARTON, TEXAS

City of Wharton
Regular City Council Meeting
June 14, 2004

By: _____
BRYCE D. KOCIAN
Mayor

ATTEST:

JOYCE VASUT
City Secretary