

**MINUTES
OF
CITY OF WHARTON
REGULAR CITY COUNCIL MEETING
APRIL 27, 2009**

Mayor David W. Samuelson declared a Regular Meeting duly open for the transaction of business at 7:00 P.M. Mayor David W. Samuelson led the opening devotion and led the pledge of allegiance.

Councilmembers present were: Mayor David W. Samuelson, Councilmembers V. L. Wiley, Jr., Lewis Fortenberry, Jr., Ken Freese, Don Mueller, Domingo Montalvo, Jr., and Jeff Gubbels.

Councilmember absent was: V. L. Wiley, Jr.

Staff members present were: City Manager Andres Garza, Jr., Finance Director Joyce Vasut, City Secretary Lisa Olmeda, and Assistant to City Manager Jackie Jansky.

Visitors present were: David Schroeder with Wharton Economic Development Corporation, Barry Halvorson with Wharton Journal Spectator, Dan Mathews with KIOX, Carlos Cotton with Jones & Carter, Terry Lynch, I. O. Coleman, Jr., Billie Jones, Vastene Olier, Betty McCrohan, Kent Hill, Bryce Kocian, and Paul Shannon.

The third item on the agenda was Public Comments. Kent Hill addressed the City Council and stated Silvan Miouri, Travis Smith, Bob Lawingfield, Merrell Barfield, Jr., Lee Dobson, and Bobby Kleas were a group of citizens that lived in or near Wharton that were working at to pass the WCJC bond issue. He stated that these persons were bridge builders and were doing this for the future in order to see the college grow. He stated that the Councilmembers were also bridge builders and asked for their support. No action was taken.

The fourth item on the agenda was Wharton Moment. City Manager Andres Garza, Jr. stated that the Wharton High School Tennis Team played in the Regional and several players were advancing to the State Tournament. He stated that the Wharton High School Golf Team placed 2nd in Regional competition and were going to the State Tournament. He stated that the Wharton High School Baseball Team would be the playoffs next week. He also said that Wharton High School Track Team members also advanced to Regionals. He said that the Wharton High School students were making the community proud. No action was taken.

The fifth item on the agenda was a presentation by Mrs. Betty McCrohan, President of the Wharton County Junior College regarding the Wharton County Junior College proposed bond issue. City Manager Andres Garza, Jr. stated that Mrs. Betty McCrohan, President of the Wharton County Junior College requested to make a presentation regarding the Wharton County

Junior College proposed bond issue and facts related to the bond issue. Ms. Betty McCrohan addressed the City Council and said that the \$18 million bond issue was to fund capital improvements projects within WCJC's area. She stated that there would be an expansion and renovation of the M.G. & Lillie A. Johnson Health Occupations Center and the new 150-bed dormitories/residence halls. She stated that currently 140 students were turned away from the Nursing Program. She stated that by passing the bond, property owners would have a \$4 - \$5 per month or \$48 - \$50 per year increase. No action was taken.

The sixth item on the agenda was to review and consider the City of Wharton Financial Report for the month of March 2009. Finance Director Joyce Vasut presented the financial report for the month of March 2009, which was at 50% or six months into the fiscal year. Mrs. Vasut stated that the general fund revenues were at 60.48% and the expenditures were at 49.85%. The total ad valorem taxes collected were \$1,833,942. She said the sales tax for the month of February was \$136,721 with \$91,147 to the City and \$45,574 to WEDC. The bank balance for March was \$1,619,803.62 with an average monthly yield of 0.25%. Other investments included: Capital One Marketing \$250,000.00 with 1.9% interest and TexasGulf Federal Credit Union 6 month CD \$240,025.00 with 1.89% interest. She said that TexPool balance for March was \$48,737,53 with an average monthly yield of 0.5788%. After some discussion, Councilmember Don Mueller made a motion to approve the City of Wharton Financial Report for the month of March 2009. Councilmember Jeff Gubbels seconded the motion. All voted in favor.

The seventh item on the agenda was to review and consider a resolution of the Wharton City Council adopting the City of Wharton Investment Policy. City Manager Andres Garza, Jr. stated that the City Council Finance Committee met April 16, 2009 and voted to recommend the City Council consider approving the City of Wharton Investment Policy. He then presented a copy of the proposed policy. Finance Director Joyce Vasut stated that the only change made to the policy was in Section V. (E) Portfolio – whereby, certificates of deposit could be obtained from savings banks or state or federal credit unions as long as they were federally insured. She then presented a copy of a draft resolution approving the policy. She also stated that 10 hours of training was required by the Finance Director and the City Manager. After some discussion, Councilmember Ken Freese made a motion to approve Resolution No. 2009-33, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2009-33**

A RESOLUTION OF THE WHARTON CITY COUNCIL ADOPTING THE CITY OF WHARTON INVESTMENT POLICY.

- WHEREAS,** the Public Funds Investment Act, requires the City Council to review and adopt, by resolution, the investment policies and strategies for the City of Wharton on an annual basis; and
- WHEREAS,** the City of Wharton designates the City Manager and the Finance Director as investment officers; and
- WHEREAS,** the City of Wharton approves the training courses sponsored or endorsed by

the Texas Municipal League, the Government Finance Officers Association of Texas, the Government Treasurers Organization of Texas, the North Central Texas Council of Governments or the University of North Texas Center for Public Management as adequate to meet the investment training requirements; and

WHEREAS, the attached investment policy complies with the Public Funds Investment Act and authorizes the investment of City funds in safe and prudent investments.

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

Section I. The City of Wharton has complied with the requirements of the Public Funds Investment Act and the Investment Policy attached hereto as "Exhibit A" is hereby adopted as the Investment Policy of the City of Wharton effective April 27, 2009.

Section II: That this resolution shall be come effective immediately upon its passage.

Passed, Approved, and Adopted this 27th day of April 2009.

CITY OF WHARTON, TEXAS

By: _____
DAVID W. SAMUELSON
Mayor

ATTEST:

LISA OLMEDA
City Secretary
Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

The eighth item on the agenda was to review and consider the City of Wharton 2009-2010 Fiscal Year Budget Calendar. Finance Director Joyce Vasut stated that on April 16, 2009, the City Council Finance Committee was presented a copy of the City of Wharton 2009-2010 Fiscal Year Budget Calendar. She said that the Finance Committee voted to recommend the City Council adopt the proposed calendar. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the City of Wharton 2009-2010 Fiscal Year Budget Calendar as presented. Councilmember Don Mueller seconded the motion. All voted in favor.

The ninth item on the agenda was to review and consider a resolution of the Wharton City Council approving an extension of the agreement between the City of Wharton and Harrison, Waldrop & Uherek, L.L.P. for auditing services and authorizing the Mayor of the City of Wharton to execute all documents required to extend the agreement. Finance Director Joyce

Vasut stated that the original contract between the City of Wharton and Harrison, Waldrop & Uherek, L.L.P was a three year contract. She said that on Monday, May 12, 2008, the City Council approved to extend the auditing service agreement between the City of Wharton and Harrison, Waldrop & Uherek, L.L.P for a one year period, which was due to expire. She said that the Finance Committee met on Thursday, April 16, 2009 and voted to recommend the City Council consider approving an additional contract extension to conduct the 2008-09 financial audit. She said that the contract extension would not increase the contract amount and the contract would remain at a total amount not to exceed \$25,950.00. She stated that this would be the 6th year with Harrison, Waldrop & Uherek, L.L.P, if approved. After some discussion, Councilmember Lewis Fortenberry, Jr. made a motion to approve Resolution No. 2009-34, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2009 - 34**

A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING AN EXTENSION OF THE AGREEMENT BETWEEN THE CITY OF WHARTON AND HARRISON, WALDROP & UHEREK, L.L.P. FOR FINANCIAL AUDITING SERVICES AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE ALL DOCUMENTS RELATED TO THE AGREEMENT ON BEHALF OF THE CITY OF WHARTON.

WHEREAS, On July 12, 2004, the Wharton City Council awarded the contract for Annual Financial Auditing Services to Harrison, Waldrop & Uherek, L.L.P.; and

WHEREAS, On April 9, 2007 and May 12, 2008, the Wharton City Council approved to extend the contract for two one-year extensions to include the 2006-07 and the 2007-08 Annual Financial Audits; and

WHEREAS, the Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute an additional contract extension with Harrison, Waldrop & Uherek, L.L.P. for the 2008 - 2009 Annual Financial Audit; and

WHEREAS, the City of Wharton and Harrison, Waldrop & Uherek, L.L.P 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 extension to the agreement between Harrison, Waldrop & Uherek, L.L.P and the City of Wharton for the 2008-2009 Annual Financial Audit in an amount not to exceed \$25,950.00.

Section II. That the contract would be for one (1) year.

Section III. That Harrison, Waldrop & Uherek, L.L.P. and the City of Wharton are hereby bound by the conditions as set forth in the agreement.

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

Passed, Approved, and Adopted this the 27th day of April 2009.

CITY OF WHARTON

By: _____
DAVID W. SAMULSON
Mayor

ATTEST:

LISA OLMEDA

City Secretary

Councilmember Ken Freese seconded the motion. All voted in favor.

The tenth item on the agenda was to review and consider a resolution of the Wharton City Council approving an amendment to the lease agreement between the City of Wharton and Colorado Valley Transit for the property located at Wharton, Block 32, Lot 12; 210 North Cloud Street and authorizing the Mayor of the City of Wharton to execute the contract amendment. City Manager Andres Garza, Jr. stated that during the October 27, 2008 Wharton City Council meeting, the City Council approved the request by Ms. Vastene Olier, Executive Director of Colorado Valley Transit (CVT), for authorization to proceed with the construction of certain improvements at the Maintenance Facility located at Wharton, Block 32, Lot 12. He said that since that time, Ms. Olier had applied for a grant through the Texas Department of Transportation (TxDOT) for funding for the proposed improvements to the facility. He said that the State had contacted CVT and requested that the contract between CVT and the City be amended to be for a ten (10) year period or longer to match the federal investment. He then presented a copy of the letter dated April 15, 2009 from Ms. Olier requesting the proposed amendment be considered by the City Council. He said that the current contract would expire on March 10, 2010, which was a seven (7) year contract. He then said that the contract amendment would be to renew the agreement for a ten (10) year period. He then presented a draft resolution approving the contract amendment. Ms. Vastene Olier addressed the City Council and requested the extension due to the grant investment by Texas Department of Transportation. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve Resolution No. 2009-35, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2009 – 35**

A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING AN AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY OF WHARTON AND COLORADO VALLEY TRANSIT FOR THE PROPERTY LOCATED AT WHARTON, BLOCK 32, LOT 12; 210 NORTH CLOUD STREET AND AUTHORIZING THE MAYOR OF THE CITY OF

WHARTON TO EXECUTE ALL DOCUMENTS RELATED TO THE AGREEMENT ON BEHALF OF THE CITY OF WHARTON.

WHEREAS, the lease agreement for the property located at Wharton Block 32, Lot 12; 210 North Cloud Street between the City of Wharton and Colorado Valley Transit will expire on March 10, 2010 and could be renewed for an additional seven years upon mutual consent between both parties; and

WHEREAS, Colorado Valley Transit wishes to make improvements to the maintenance facility located on said property and has applied for funding through the Texas Department of Transportation; and

WHEREAS, the Texas Department of Transportation has recommended that the contract be amended to be for a ten year period or longer in order to match the federal investment; and

WHEREAS, the Wharton City Council wishes to amend the agreement with Colorado Valley Transit as per the States' recommendation; and

WHEREAS, the City of Wharton and Colorado Valley Transit wishes to be bound by the conditions as set forth in the agreement; and

WHEREAS, the Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute 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 approves to amend the lease agreement between the City of Wharton and Colorado Valley Transit to be a ten year agreement.

Section II. That the Wharton City Council hereby authorizes the Mayor of the City of Wharton to execute the contract.

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

Passed, Approved, and Adopted this the 27th day of April 2009.

CITY OF WHARTON

By: _____
DAVID W. SAMULSON
Mayor

ATTEST:

LISA OLMEDA

City Secretary

Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

The eleventh item on the agenda was to review and consider the request by the City Staff to sell City of Wharton Personal Surplus Property. City Manager Andres Garza, Jr. presented a copy of the City of Wharton Personal Surplus Property. He said that the City Staff was requesting City Council approval to sell the personal surplus property. He said that the items would be sold using the bidding process. He said if the sale of an item was not successful through the public bid process, he was requesting the City Council authorize to sell the items out right or on a first-come first-serve basis. He further said if the items do not sell out right or on a first-come first-serve basis, then he was requesting that the items be sold for scrap. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve the sell City of Wharton Personal Surplus Property. Councilmember Lewis Fortenberry, 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 approving the submission of an application to the Texas Department of Transportation for Pass-Through Toll financing of Highway Projects for the City of Wharton FM 1301 Overpass Project and authorizing the Mayor of the City of Wharton to execute all documents related to said application. City Manager Andres Garza, Jr. presented the information regarding the Texas Department of Transportation (TxDOT) Pass-Through Toll Financing for Highway Projects. He said that this type of financing could be used for the City's proposed FM 1301 Overpass Project; however, this program would require that the City of Wharton fund the entire project upfront. He said that the City would be responsible for financing, construction, design and maintaining the project. He said that TxDOT would reimburse a portion of the project cost by making periodic payments to the developer (City) for each vehicle that utilized the road. He said that the deadline to submit an application to TxDOT was May 12, 2009. He said that the City Council Finance Committee met April 16, 2009 and voted to recommend the City Council consider approving the submission of the application for the project. He then presented a draft resolution approving the application's submission. Finance Director Joyce Vasut stated that the Rail Road Company could possibly be another contributor. Mr. Carlos Cotton with Jones & Carter stated that the total project was 87% TxDOT and 13% City of Wharton; however, the key would have the project be 75%/25%. After some discussion, Councilmember Domingo Montalvo, Jr. made a motion to approve Resolution No. 2009-36, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2009-36**

A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING THE SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR PASS-THROUGH TOLL FINANCING OF HIGHWAY PROJECTS FOR THE CITY OF WHARTON FM 1301 OVERPASS PROJECT AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE ALL DOCUMENTS RELATING TO SAID APPLICATION.

WHEREAS, Pass-Through financing is a tool the State created to stretch already limited tax highway dollars and to allow local communities to fund upfront costs for constructing a state highway project; and

WHEREAS, The State then reimburses a portion of the project cost to the community over time by paying a fee for each vehicle that drives on the new highway; and

WHEREAS, The Wharton City Council wishes for the City of Wharton to participate in the program at a level of approximately \$3,000,000.00 as the City's portion of the costs; and

WHEREAS, The Wharton City Council wishes to move forward with the FM 1301 Road Extension and Overpass Project and to apply for funding through the Texas Department of Transportation Pass-Through Toll Financing of Highway Projects; and

WHEREAS, The Wharton City Council wishes to submit an application to the Texas Department of Transportation under the Pass-Through Toll Financing of Highway Projects Program for the FM 1301 Road Extension and Overpass Project; and

WHEREAS, The Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute all documents relating to said application.

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 submission of an application to the Texas Department of Transportation under the Pass-Through Toll Financing of Highway Projects Program for the FM 1301 Road Extension and Overpass Project.

Section II. That the Mayor of the City of Wharton is hereby authorized to execute all documents related to said application.

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

Passed, Approved, and Adopted this 27th day of April 2009.

CITY OF WHARTON, TEXAS

By: _____
DAVID W. SAMUELSON
Mayor

ATTEST:

LISA OLMEDA
City Secretary

Councilmember Don Mueller seconded the motion. All voted in favor.

The thirteenth item on the agenda was to review and consider s resolution authorizing the Mayor of the City of Wharton to execute a contract between the City of Wharton and Gulf Coast Medical Center for Ambulance Transfers to be conducted by the City of Wharton Emergency Medical Service (EMS) Department. City Manager Andres Garza, Jr. stated that the current contract between the City of Wharton and Gulf Coast Medical Center (GCMC) for Ambulance Transfers was due to expire April 30, 2009. He then presented a copy of the current contract, and a copy of the letter dated April 13, 2009 to Mr. Randy Slack, GCMC providing a new contract for another two year term with an option to extend an additional year for execution by GCMC, which had been executed. He then presented a copy of the draft resolution approving the agreement. Finance Director Joyce Vasut stated that the other change included a reduction of \$200.00 to \$100.00 per patient for each one-way transfer to Open MRI . After some discussion, Councilmember Lewis Fortenberry, Jr. made a motion to approve Resolution No. 2009-37, which read as follows:

**CITY OF WHARTON
RESOLUTION NO. 2009-37**

A RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE A CONTRACT BETWEEN THE CITY OF WHARTON AND GULF COAST MEDICAL CENTER FOR AMBULANCE TRANSFERS TO BE CONDUCTED BY THE CITY OF WHARTON EMERGENCY MEDICAL SERVICE (EMS) DEPARTMENT.

WHEREAS, the Wharton City Council wishes to enter into a contract between the City of Wharton and Gulf Coast Medical Center for Ambulance Transfers to be conducted by the City of Wharton Emergency Medical Service (EMS) Department; and,

WHEREAS, the City of Wharton and Gulf Coast Medical Center wishes to be bound by the conditions as set forth in the agreement; and.

WHEREAS, The Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute 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 to execute a contract between the City of Wharton and Gulf Coast Medical Center for Ambulance Transfers to be conducted by the City of Wharton Emergency Medical Service (EMS) Department.

Section II. That the City of Wharton and Gulf Coast Medical Center are hereby bound by the conditions set forth in the agreement.

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

Passed, Approved, and Adopted this 27th day of April 2009.

