

MINUTES OF REGULAR MEETING

April 12, 2017

SHENANDOAH CITY COUNCIL

1. CALL TO ORDER (:30)

Mayor Wheeler: Okay. Good evening everybody. Thanks for showing up. This is the Shenandoah City Council workshop meeting, April 12, 6:00 PM. We'll call the meeting to order.

2. CALL OF ROLL

Mayor Wheeler: Call the roll. Look round. Everybody is here. There's an empty seat next to Jean. Who usually sits there? No, that's... just it's right there, okay. I'm going to ask Councilman Houston to give us an invocation tonight. If you would please, sir.

Councilmember Houston: For those that would like to join me, please stand. Father, we just want to recognize that you are who you say you are, that we can trust in that. That we are incredibly blessed just to have the opportunity to be here. To be in a country that we have the freedom of speech, the right to express our opinions. That we have this incredible state that we live in, this incredible city that we live in. Just thank you for all that we have, all that you have provided. Thank you for everyone here, and we just ask blessings for us tonight to have a soft heart and a keen mind. Just thank you for what you are. It's in your name, fully. Amen.

Mayor Wheeler: Thank you, John. Before we move into item three which is Citizen's Forum, I just want to go ahead and put it out there that we're going to move items 11 and 12 up to the front of the agenda in between three and four. I figure that's why a lot of people are here, and there's no point in waiting any longer than we need to.

3. CITIZENS FORUM (1:26)

With that being said, we'll move into item three which is Citizen's forum, and I'm going to read this, "Citizens are invited to speak for three minutes on matters relating to city government that relates to agenda or non-agenda items. Speakers are asked to stand up and approach the podium to address council and give their name and address before sharing their comments."

I'll call these out one at a time. If you'll please come up to the podium, give us your name, give us your address, where you live. Make sure you're speaking in the microphones so we can hear. I would ask this, I know there's going to be a lot of opinions tonight and that's great and we want to hear all of them. Let's try to keep it as civil and free of personal attacks as we can. Comments from the crowd when people are up there speaking are highly discouraged. We need to give each person the respect when they're up there during their three minutes to say what's on their mind whether you agree or disagree with it.

I think that we can all share our opinions and be respectful even if our opinions don't necessarily always align with each other. That's what makes this country great, right? Okay, with that we'll move right in. The first one is Esther-- also, just keep in mind that we can't necessarily have a conversation with you when you're up there. Those things that you say we do hear. If there's something we can get back with you on, we'll do so. Esther Lumm, you're first up.

Esther Lum: Thank you. Good evening to Mr. Mayor and all the council members. My name is Esther Lum. I live on 31 South Emory Bend Place. I came here tonight because I wanted to express my complete disbelief and total astonishment at a news story that appeared today in the *Golden Hammer*. The headline reads, "Shenandoah City Council planning to change city ordinances. Ignore Texas local government code in order to give general manager Smith a golden parachute employment

agreement." I'm not going to go through the article. It's out there on the web, but I will say that I did practice law for 25 years.

This article quotes Texas local government code section 25.028. It says it makes it clear that city managers may only have at-will employment relationships. That's issue number one. Number two though, even more, troubling is that apparently this ordinance or this agreement was voted on February of this year in direct violation of the city of Shenandoah's own ordinances. From my understanding, what's happening tonight and what's generated this intense interest is there is a move on the agenda to then fix something that was done in violation of city ordinances. That's very troubling to me.

I respect what you've said, Mister Mayor. I'm not going to try to get personal about this but I've been to one other council meeting and I was very disturbed then, at the level of discussion. It seemed like this council was concentrating its valuable time and resources on very minor issues. There are so many bigger things that I think the city needs to be concerned about, and this for me was just-- I have two minutes left? I'm at two minutes, okay. For me, this was just the last straw, the icing on the cake, if you will.

I wasn't here at that meeting, so I don't know how it all transpired. I'm not really asking for that but I'm saying as a citizen to read this in the paper the optics are horrible. This does not make Shenandoah look good. If Shenandoah goes forward I think this article is going to be very damaging evidence should this go through the legal system and be challenged. Thank you.

Mayor Wheeler: Thank you, Miss Lum. Unfortunately, we're going to have to be strict on the three minutes just because we have quite a few people that want to speak, and I want to give everybody a chance. Next up is Charlie Bradt.

Charlie Bradt: Thank you mayor and city council. I'm Charlie Bradt, live on 29104 Cedarwood. I'm speaking to you as a citizen tonight. I want to discuss item 11, Discussion and possible action to adopt the ordinance which you are about to adopt. Number 12, discussion and possible action to ratify the city administrator's contract. Current ordinance on the books is number 9508. It was adopted October 12, 1995. Section 2-96 was again adopted in the court of ordinances in 2002. That is the existing policy.

I'd like to also add that section 2-98, the powers and duties of the city administrator of this ordinance was repealed twice by ordinance, ordinance number 0-09-22 and 72209 and 0-15006 and 128 2015. By resolution 0-15-004, section 298 item number six, defining the senior management. Nobody at that time ever amended or said anything about section 2-96 which still states the following, "The city administrator shall be appointed for an indefinite term of office that shall serve at the will and the pleasure of city council, and shall have the subject to discharge at any time and with or without cause by a majority vote of the council members qualified and serving."

Secondly, it specifically provided that any person appointed to this position of city administrator shall not have any entitlement, contractual right or property right in the position of city administrator and to continue employment by the city. Now it's on the agenda because city council wants to change the language to the following, "City councilor may enter into an employment agreement or employment contract for the position of city administrator. All aspects of the employment agreement or employment contract will be enforceable against the city." I think that's terrible.

Any of the items of the agreement in the contract are in conflict with provisions of any ordinance that is in conflict with the employment agreement or contracts are repealed. I know that city council is a legislative body and sets policy, and as I see it now, they have violated their own ordinance. I want to fix it by adopting a revision to the contract for this city that is enforceable against the city.

You negotiated this contract just last February as the other lady said and now you find out it's invalid, and you're trying to repair the damage. State and local government code 2-025-025 mandates the city manager is appointed by the mayor and serves at will of the mayor and city council in any capacity. He is not a city administrator because we're strong mayor and strong council form the government. I just wanted to tell the council how I feel. Thank you very much.

Mayor Wheeler: Thank you, Charlie. Randy Smith.

Randy Smith: My name is Randy Smith, I live at 215 Sonoma Court. I recently retired from ExxonMobil after 36 years and 10 months of service. By way of full disclosure, my wife is Nancy Smith, who is running for city council. I rise this afternoon to address a couple of the agenda items which are to repeal an ordinance that prohibits the employment contract of the city administrator and to ratify the employment contract of our current city administrator.

I have heard that some of the tea parties supported candidates who are running for city council have voiced their opposition to this action and you've heard that tonight and have expressed the sentiment that our city administrator is doing a bad job and they have intimated that he should be replaced. So far the key complaints from these candidates and others include, one, we had an increase in employee turnover last year. Two, that our city council often votes in favor of proposals made by our city administrator. Three, they suggest that we're experiencing a crime wave.

I've also heard that some people have complained that the new sidewalks are curvy. Other than the fact that the sidewalks are curvy I believe that most of these criticisms are unfounded. Somehow this election has become a referendum on the performance of the city administrator. Now, I mentioned that I retired from ExxonMobil and it is widely regarded as a high performing organization. My co-workers and I were evaluated based on results. There were basically two certain ways to get sidelined or terminated, they were poor performance or misconduct and both of those things are and should be taken seriously.

Now, I define a high performing organization as one that is able to produce the greatest result with the least resources and I think the city of Shenandoah is just such an organization. It became so after Mr. Greg Smith was hired and he began to work on streamlining staff, reducing perks and utilizing his creative skills to address high-cost difficult problems. Shenandoah's positive qualities are numerous and they are not an accident but as a result of excellent decisions made by the current/ previous city councils which have been implemented by outstanding executive leaders who are managed by our city administrator.

Our city now has an effective storm and drainage system, updated streets, we have money in the bank, several months of cash reserves. We enjoy double-A-plus bond rating which all of these things are significant improvements over the way it was before. We follow the financial and accounting rules as proven by our clean audits and the transparency awards that we've received. We are patrolled by a police force that is three to four times as strong per capita as--

Mayor Wheeler: You're at three minutes, sir.

Randy Smith: Okay.

Mayor: Sorry, I don't mean to cut you off. I want everybody to get a chance.

Randy Smith: One last statement, I'm just going to say this, failing any evidence to support the criticism of our city administrator based on poor performance or misconduct, I can only surmise that the reasons for these criticisms are either personal or political.

Mayor Wheeler: Thank you, thank you, Mr. Smith. We're trying to find something that we can put a timer on the screen so you folks can see it rather than have to look down here at me trying to do hand signals with you. Hugh Grimes, next up, please.

Hugh Grimes: My name is Hugh Grimes and I'm currently a resident of the Sunningdale at 1018 Roman Road, have been since the building opened. First of all, I'd like to say thank you to the police force for showing up. I think it was two Thursday's ago for about eight hours we had somebody in the building. There was a bad act who broke into several cars and storage spaces and tried to get into my garage. I thank you for being there, being diligent. I just wish management of the complex would have called people ahead of the system to say, "Stay the hell in your house and lock your doors."

We got a letter eight days after the fact saying, "Something happened if you want to know what happened, call the cops." I forgot why I was originally here but it's coming back to me. I tried to vote in the last election, on voting day and I was abruptly told not badly but just, "We have nothing for you to vote on." Over the last year, socially I've met some people and told them that I was disappointed that the Sunningdale was not included in anything especially the citizens' right to vote. I had found out that Mr. Raymaker was talking to some people after I voiced my opinion at these social events and that he got us the right to vote. I want to thank- I don't know who he is, I've never met him. Thank you, Mr. Raymaker.

We have over 100 votes over in the Sunningdale and if you don't pay attention you are going to get a lot of bad publicity because the place is run like a pig pen almost like a prison. I said I was a current resident, I'm not going to be allowed to re-sign a lease because I've tried to stand up for these wonderful people that live there. They're elderly, they're intelligent and they're treated very badly, very. It's going to come out Shenandoah will get another bad name for it. Now, I want to talk about what everybody else is talking about this number 11, number 12. As somebody who hasn't been involved in your politics looking at it from one situation, you're going to have probably some changes in city council right around the corner.

Why would city council now want to change amendments if they're possibly not going to be running this? Why don't you wait until after? If they're no changes, do what you want to do, do what you feel is right. I've had somebody tell me Mr. Smith was a great guy. Mr. Smith's wife and Misty were great people and I should back them, I just don't know enough. I'll tell you one thing, it does not pass my smell taste. Thank you very much.

Mayor Wheeler: Thank you, Mr. Grimes. We sure hope you find somewhere else to live in Shenandoah. Next up, Sherry McMullen.

Sherry McMullen: Good evening, my name is Sherry McMullen, I live at 173 Silverwood Ranch Drive, Shenandoah. I really have nothing prepared like everyone else, I have two items. One is I am a member of the civic club and we have been told that tax dollars cannot be used as prizes. Tax dollars cannot be used as prizes for-- sorry, can't hear me? I'm short. That the tax dollars cannot be used as prizes. Example being last year at Easter we did Easter baskets. We hid eggs that were the golden egg and if the child got the golden egg they got an Easter basket. We did use tax dollars for that and we were told during our budget we could not do that.

My problem is, what is the difference between an Easter basket for a child and the yard of the month which gets \$25 gift card or Shenandoah Shine which I think they're getting \$100 if I'm not mistaken? How can you use tax dollars for adults but you can't use it for children? That I would like an answer to. The next one is my understanding is a contract was put in the city council approved the new contract for the city manager but that was nine months before it was due.

I simply want to know why that was done nine months early and why do you want to change ordinances to provide this contract? The city manager has done a good job. I think if there is a new council coming in, they would see that he has done a good job. I don't think I have-- I gave up my other 40 seconds. Bye.

Mayor Wheeler: Thank you, Miss McMullen. I'm going to mispronounce this one, so I'm going to apologize ahead of time. Yvonne Duell. They'll get it right. Okay, here you go.

Yvonne Duell: Well, I think you did a great job.

Mayor Wheeler: Thank you.

Yvonne Duell: Thank you very much. My name is Yvonne Duell. My husband and I have lived in Shenandoah for 11 years. We have been in the Woodlands for 18, chose to move to Shenandoah 11 years ago. We have enjoyed the benefits of living in this city, and I've watched it grow and flourished to the benefit of all that live here. We feel it's a lovely small community and that it demonstrates that to all the people who have the benefit of living here. Generations have come and gone. They go away. They come back.

They bring their children back, and I think this demonstrates what a wonderful community it is and how life in this community can be beneficial to generation after generation. Not something that we've experienced or felt as we've been in America which is 18, 20 years, but it's not something that we have felt or felt was demonstrated in other areas that we've lived in. We have seen the benefit of all the community activities that go on, luminarias, the decoration of the luminarias are-- and the Easter Egg Hunt which is beneficial to all the children.

I had no idea about because I haven't been involved this year. I had no idea about the controversy, about the cost of it. Swimming pool, another great asset. It's just endless the things that are beneficial to the community. Ken and I both feel very strongly that since a lot of the new members have come on the council and our new city administrator, that we've seen the benefit of the financial benefits to the people and the people who live here.

Both Ken and I feel very strongly that whoever is replaced, if they're not voted in, I hope they do a good job, but I do feel, and we both feel, that we have seen a massive improvement and enjoyed the benefits of it. We personally as residents of Shenandoah would like to see that continued going forward. Thank you for your time.

Mayor Wheeler: Thank you, Ms. Duell. We all probably noticed we got a timer up there that's counting down, that way you also watch me and watch your screen. Okay, next up is Ken Altemus.

Ken Altemus: I'm Ken Altemus. I live at 28615 Cedarwood Drive here in Shenandoah. Most of you know my wife was on city council for 16 years, and we've had several city administrators during that period of time, as well as a lot of employees in the city. I don't think that we have ever had anybody who has an employment contract, be it city administrator, police chief, anybody else from the city. I don't know why that's all of a sudden necessary to give somebody a contract like that. There's a lot of people looking for work. I would urge you to not vote to change the ordinance and provide any additional incentive for a city administrator because there's lots looking for jobs. Thank you.

Mayor Wheeler: Thank you, Mr. Altemus. Next is Sue Dean.

Sue Dean: I live in Sunningdale Apartments too, and my concern is we could not vote in Shenandoah and we're part of your city. We want to know why we cannot vote here. Another thing is we could

have a policeman to just drive through our complex at night. He'll get a little key button, open the gate and we'll feel safe, because there's a lot of senior adults that live there, and we've had some robberies go on all around us. We'd appreciate some protection. Thank you.

Mayor Wheeler: Thank you, Ms. Dean. Next on the list is Mike Sorich.

Mike Sorich: Hello. It's Mike Sorich, I live at Rosewood Drive. I've been there for over 20 years. I've seen a lot of improvements in Shenandoah, and I think this city council and this administrator have done the most improvements of anybody I've seen since I've been here. We've got new streets. Our police force is 50% more increase than the FBI requires them to have. Our rainy day fund has increased from \$809,000 in 2011 to 3.9 million now which covers anything catastrophic, fires like Home Depot burning down, and a loss of revenue covers that. Covers any emergencies we have coming on here.

I think Greg has done a fantastic job, and it's about time that this city has acted like a professional organization because I've seen the other ones. I've seen the hotels built right behind somebody's house which would have really gone in my skin if I lived there. More strict planning. The way we bring in business to the city now is income-producing which lowers our taxes every year. We've got rid of the ESD 4 which was a 9.9 cent tax where we get paying completely.

We were unprofessional fire department and now we are covered by a professional fire department, the Woodlands, with three different locations with professional staff. Greg's contract was five years and I think he should be under contract. We've had two other administrators since this ordinance was discovered under contract to city administrators. He has termination clauses if he's not going to do his job well. There's something unethical, he's going to be let go. If he is let go, his golden parachute is they're going to pay him until he finds another job but currently with all the Facebook rhetoric going around he might not get another job.

I don't think that's very fair to him for the slander that's going around on the Facebook. His car allowance, adjustment for the city. When everybody was a leader, had their own car. The city paid for the car. They paid for the gas. They didn't even have non-tax license plate. The city paid for that. They got rid of all that. They give him one allowance to buy his own car, pay for his own insurance, pay for his tolls, pay for everything he does under that one contract. One allowance and that's it. I think his leadership has focused the city on more fiscal responsibility and that's pretty much what I got to say.

Mayor Wheeler: Thank you, Mike. Next up is Brandon. I am definitely going to butcher that one part. Bartoskewitz?

Brandon Bartoskewitz: Thank you, Mayor. Thank you council for having me. I'm actually not here to speak about what most everybody else is here to speak with us. I live at 70 North Crescendo Path Place in Grogan's Forest and we've lived there for about six years now. In October of last year, we decided to replace our fence. It was 12 years old, hadn't been replaced since we moved there and was getting a little worn so we decided to fix it so our dogs won't get out. Called the city and asked for some guidance as to permitting requirements, things like that. Got the okay and we completed our build.

This involved, of course, being in that neighborhood going to split it up amongst neighbors and getting the patch fence done. Well, in January, I got a notice from The Woodlands townships stating that I didn't apply for a permit to change my fence. That's okay. I wouldn't know. I thought I live in the city and they referred me to the deed restrictions which states that we're under The Woodlands covenants but my deeds state that those covenants are supposed to be enforced by the City of Shenandoah, not The Woodlands. They referred me then.

I brought that up to them and they referred me to an inner local agreement that was signed in 2010 but the one they gave me expired on December 31st of that year. They then told me about a 2012 agreement that was renewable automatically on a yearly basis for five years starting in 2012 and ending December 31st of this year. I'm not seeing that agreement yet but they referred to it. What it's doing is it's putting me in a position where I'm governed by two local governments. I can only vote in one. I can vote for the city. I can vote for my representatives here. The Woodlands has domain over my house and what I'd do with my house. I can't vote or do anything to change my situation over there.

That's the big problem for us. I don't care about the fence. If we were to say, build a pool, something that requires a monetary permit, something big, now we'd have to do it through two different agencies: Shenandoah, The Woodlands. I understand the inner local agreement had to do with some fire services and other things like that. It's caused us enough issues that we've decided we're going to move. We're going to get out of both areas and The Woodlands was kind enough to tell me that when we move, be sure to put in a permit for the realtor sign that goes in our front yard.

That was cute. All I'm asking is that you all put in the inner local agreement on the agenda, consider removing The Woodlands Township's ability to regulate the covenants in the Grogan's Forest area.

Mayor Wheeler: Time's up. You get the grand prize for being the first one to hear the alarm. Thank you for that. Next up, Julia Hepburn.

Julia Hepburn: Pass.

Mayor Wheeler: Pass? Okay. Then next up, Nicholas Hicks.

Nicholas Hicks: Hi, mayor and councilmen, I'm Nicholas Hicks, lives at 626 Blue Ridge Drive. I'll just keep it short and simple. I'm trying to rebuild my house just like you all trying to rebuild your indoor right now. I have to follow every city ordinance. Police are there almost every day because of different reasons. Because someone wants to call in on me. That's not very neighborly though. I get told that I won't do that and [sigh] yes.

If I have to follow every ordinance, I feel like everybody else here should follow the same ordinances. That's all I ask because, it's not that hard if you're all going to make me so hard to try to better my house, and you all try to better Shenandoah. Just feel like it should all be the same for everybody else. That's all I got to say.

Mayor: You all got to bear with me a little bit. I got some cards and then some people signed the roster, so if I get you a little out of order, I apologize. John Wertz.

John Wertz: Good evening, Mr. Mayor, honorable city council members, ladies, and gentlemen. I'm John Wertz, vetting committee chair of the Montgomery County Tea Party, I live at 74 North Rainbow Ridge in The Woodlands. Just for clarification, we have not indicated who we will yet support, that comes Monday. Nor have we made any disparaging comments about the city administrator. In the course of our vetting over the last couple of months, with those who chose to participate, I also filed a number of public information request also known as FOIAs with your city. One that stuck out was a contract with your city administrator Mr. Greg Smith, whom I've heard has done a really good job here.

The terms on the contract voted on three to two by the council as I understand it, and which included Misters Houston and Frazier as well as Ms. Teague, voting for the contract, is worth \$184,312.00. That includes a whopping two-year golden parachute, meaning if the city terminates Mr. Smith, to be

entitled two years of full pay and benefits until he finds another job., as has been an alluded too. Now, I'm a free market guy so I don't bemoan anyone for making as much money as they can while they're capable. As a recruiter and a former HR guy with a major company, I also like to compare.

I submit FOIAs to comparable cities in our area. The closest city that I've found to Shenandoah is Oak Ridge whose total comp is only a \$155,000. Strikingly, the Willis city administrator, whose community is roughly twice the size of Shenandoah, only came in at a total comp of \$120,000 and some change. That's \$64,000 less than Shenandoah's. Also, most city admins only have three to six months' severance in their contract, not 24 months. All of that's legal and I commend Mr. Smith for his prowess achieving that type of compensation. It's very rare, especially in government.

However, that contract appears to have been broken or have broken a city ordinance specifically Section 2.96 of the Code of Ordinances that dates back to 1995 and was included with the 2002 adopted code ordinances. I'm not really sure why it's necessary to change that ordinance. Other than the shoe horn, the city administrator's contract end. But when you execute a contract like that, did your attorney tell you that it then removes city's immunity and limitations on damages and tort claims act? What I also have in hand is a property conveyance in 2012 or warranty deed for Mr. Smith to his boss and next door neighbor, Councilman Frazier. The price of \$112,000 on the value is now 215.

Mayor Wheeler: Thank you.

John Wertz: That probably needs to be looked into, thank you.

Mayor Wheeler: Yes, sir. Liane Strigin.

Liane Strigin: Good evening. My name is Liane Strigin. I live on Enchanted Drive in Shenandoah. I moved here in 2004 and I feel really blessed to live here. I mean, I moved here because there's no home owner's association, taxes are cheap, water is cheap. People in The Woodlands would love to pay what we are paying for all that stuff. I mean, we have a really good deal. I'm also really thankful for our city administrator because before Greg Smith came, things were a lot different. It was hard to get straight answers from people. I want people that are honest. I want people that can tell me how things are going to be, even if I don't agree with what he says.

I think he's a very straight forward person and I appreciate that. Even if, I don't know if he agrees with every decision everybody makes because you're not going to agree with everybody's decisions. He's streamlined the staff. We've adjusted the salaries and the pensions and the benefits and then the whole thing with the water. The fact that we are still receiving surface water instead of ground water. Our water rates haven't gone up three times like they have in The Woodlands is a real blessing. I just want to thank him for that. Also, I appreciate him being really fiscal-- I'm very fiscally conservative and I really appreciate him being that way as far as-- I love the Rainy Day fund.

I'm thankful that we're preparing for things that we can't expect. I mean, the fact that a freeway collapsed in Atlanta due to a fire. Now, it's going to be six months before they can rebuild that stretch of road. Who would have foreseen that? That's why you have a Rainy Day fund, because things like Rita or Allison or things you-- a freeway collapsing, are things you can't expect, things you can't predict. When you have cash in the bank, it's a lot easier to recover and take care of those situations than it is if you're trying to deal with credit. I don't know a lot about city administrator jobs.

I know they mentioned Willis and Oak Ridge. I don't think those are fair comparisons because looking at the population size, that's not all of what Shenandoah is. I mean, the tax rates and everything, are due to our commercial size. I think when you are doing comparisons we need to look at cities with comparable commercial income, that's comparable to our community. As you compare city

administrators that have positions like that, I think we should do what's right and what's fair. If other cities that have comparable income basis as we do, I think we have a great city administrator. I think the things that he's done here in Shenandoah add a lot to his resume. Thank you.

Mayor Wheeler: Thank you, Miss Strigin. Next up, Robert Mack.

Robert Mack: Robert Mack, I live back on 29209 Cedarwood. I'm second generation Shenandoah resident. I bought my parents' house when I moved back to Texas. I bought it there because the first time I lived down here, I lived in the Woodlands. They complained about- I didn't rake my leaves fast enough. Mother Nature put them there Mother Nature will take them away. Over the years, I'm like Nicholas, I take care of my own house. Apparently, from last week's to this week's town hall meeting, I've been doing it all illegally. I am now a criminal in my own town. Now, granted I'm going to keep-- I don't know I have to get permits to do everything.

I tried to look through the system today, that it's confusing. Looks like it's mostly for contractors but I will metal my way through it. Also, I looked at the agenda, I know it's a thing that talked about cattle in the city. I'm going, "There aren't any cattle in the city anymore." There used to be beautiful long horns on the end of my road, but I read all the way down. All you that walk your dog with one of this after they pass that ordinance, you'll be a criminal too. It has to be one like this.

Read all the way down to the bottom of the cattle information and it talks about pets. This is no longer a legal leash. This is the legal leash. I can tell you that about 50% of the people that walk by my house probably have one of these. The other thing that got my gander was the new trash ordinance that they were looking through. Says that I can't put anything out for the trash man before seven o'clock in the morning. I happen to be a traveling businessman. I usually leave my house at five o'clock on Monday morning. That means that my trash, that is not something in a trash can, can't be put out for the trash people.

My daughter humorously said, "Oh, by the way, dad shopping day is Sunday in Shenandoah for the people that can't afford to do furniture." Kind of a- just a joke but I can honestly say, I put our trash out there Sunday afternoon, by Sunday night, it was gone. Those little things were what kept me here for 20 plus years. Kept my parents here for 20 years. All I ask is that you think about the little guys that don't have the \$600,000 houses. Mine was 90 when I bought it. I'm sure it's worth a lot more now. I hope it's worth a lot more because I've done a lot of work to it. Not all of us can afford to have contractors come in. I have two kids in college. Anyway, thank you very much.

Mayor Wheeler: Thank you, sir. Sherri Parks.

Sherri Parks: Hi. I'm Sherri Parks. I live at 707 Rosewood. My question's a little bit different on this ordinance or agenda number 11. I started going back and reading the minutes from meetings from the time Mickey Dawson left until our new attorney came in. Granted, I was very tired and it was very late but it appears that some of them are missing. My question is, how much experience did this attorney have in municipal law before he was hired to get us to where we're at now? With the question of the legality, city ordinances, and the legality of state law? I'd just like to know.

I looked at his website and interesting that one of our old city council members is in his law firm. Just an interesting fact to find. Anyway, if somebody could get back with me and let me know how much experience he actually had at municipal law before he was hired. Thank you.

Mayor Wheeler: Thank you Ms. Parks. Next, Kaye Henson.

Kaye Henson: My name is Kay Henson, and I live at 714 Thornwood, and I've been here since 1987, 30 years. I would also like to address item 11. Oh, we've got trouble, trouble, trouble, right here in River City with a capital T, which rhymes with P and stands for pool. Which stands for pool, we've surely got trouble right here. Trouble, trouble, trouble, trouble. River City ain't any trouble. Then we have to create some. Got to create a desperate need for change. Where have we heard that purposefully ambiguous mantra before? Oh, yes, it worked like a charm for Obama. What else did Obama teach us? That if you repeat a lie often enough, loud enough, loud enough, and often enough, people will believe it.

They're coming after you, Greg. That's your reward for doing a good job for us. Not thankfulness, gratefulness, or appreciation. No, you get a kick in the teeth. When I simply list your accomplishments, which does take a while, I'm accused of putting you right up there with Jesus Christ. I do find this scenario rather interesting, that on the very week we are celebrating the passion of the Christ, we have here our very own Sanhedrin. A group of self-righteous, religious, hypocrites who are ready to incite the crowd to crucify him, crucify him. What's he guilty of? He's lowered our taxes and decreased city expenses by hiring qualified people who use modern technology that we don't understand.

He builds frivolous parks with cash. They have notorious splash pads that draw hordes of people and decrease property values. "He has too much money in reserves," said the fiscal conservatives. "We want to spend it on ourselves on our own self-interests. We want to go back to Egypt, back to the graft and corruption, where neighbors indict neighbors, and sue the city, and use strong arm tactics of intimidation to maintain their iron-fisted grip on the control of the city."

If you're one of the many residents who came here tonight just to find out, "What the heck is going on in our city. What's all the hullabaloo about?" I'll tell you, an old city council regime who by some miracle was finally ousted decided to go to the new sections of Shenandoah where their past is unknown, and launch a gossiping, whispering, smear campaign, to get their own unwitting marionette puppets elected, and vicariously regain city control through them. Their efforts were bolstered recently when a fractious division splinter group off of the tea party, inappropriately calling themselves the Patriot Pact joined them.

They've been methodically going into small municipalities, getting their people elected, I suppose to increase their clout, and eventually, take over the Republican Party. They just ousted Bruce Tough, out of the Woodlands and got four of their people in. Divide and conquer, that's always the enemy's tactic. Through bickering, gossiping, whining, and slandering on social media particularly, they have brought World War three to our once peaceful little hamlet, and they say, they stick the Christian label on it, and as a follower of Christ, I want to say, "No wonder the world hates us." Thank you.

Mayor: Thank you, Miss Henson. Next up, Arthur Stayton. Just a few left.

Arthur Stayton: I live at 28611 Cedarwood. Been here since 2000. We've had a problem, as you very well know, my representative of The Green Belt, my back up to the Green Belt. Not the Woodlands Green Belt, our Green Belt. You all come in a few years ago and chop down the trees, the dead trees, and you just left them there. Now we have rats, skunks, snakes, and everything else come out of the woods into our homes. I buy between \$30 and \$40 of rat poison a week. A week. I had a dog but he barked, so he had to go to court here, but he won. Number two, that's my number one gripe.

My number two gripe is the City of Shenandoah's police department. They work very hard for us every single day, and they're very understaffed. At night whenever there's something happens up on the main lanes on the freeway, right on the frontage road that takes away from our protection because they don't have the staff to do anything. If they have a DUI or DWI, that takes an officer five hours off his shift. The remnant men can't do what they really want to do because they don't have the people.

Number three and then I'll get out of your way. Play with your clock all you want.

Parking in the State of Texas on a public street, whether it's the city, the state highway which I retired from. You park with a flow of traffic and the direction of traffic. Not against the direction of traffic. In Shenandoah, we park anyway, gosh where you feel like parking. Not up on the curve, not in the middle of the road. It don't really make any difference especially UPS driver. Mainly our residents, people that live here, they park any which way they want to. Our streets are narrow enough as they are. We really need policemen on that major. Thank you all very very much.

Mayor: Thank you, sir. Robert Brush? Patricia Jones.

Patricia Jones: I'm Tricia Jones from the Sunningdale apartments and my concern is county enforcement officer. I understand that that position is also held by a police officer and I'm just wondering how there can be a dual position. To me, that would mean that that officer would get a higher pay than the other officers for their grade because he's got two positions. That's what I'm thinking. I don't know what- I'm just now participating. I've been here three years. The other concern is and it has been an emergency evacuation disaster plan. That has always concerned me at our apartments where we have four or five level floors.

We have handicapped elderly people that live there on every floor. When our elevators go out, these handicapped people don't have anybody to get down and to me, that's a hazard. If we have a fire, the building starts burning, we're going to have fatalities. I would like to see- I don't know if the city has an evacuation plan for a hurricane or any kind of disaster. Where do we go? Where should we be so we can account for individuals to know that they're safe? That's my biggest concern with our apartment complex. I don't feel like there is enough information that is being given to us. How do we get out? A proper evacuation plan in case of emergency.

The other thing which I just know from my perspective from working with the county government from another state, I would like to know-- my understanding that I would assume is that the city manager contract is approved by the city council. Does the city council not negotiate these contracts because I would think that the city manager would have a contract with different provisions allowed and I'm like, I don't understand what the-- I can understand about the two-year payment but I know the contract of a city administrator or city manager is usually approved--

Mayor Wheeler: Thank you, Ms. Jones. We will have somebody get with you on that evacuation plan. Last but definitely not least, Mr. David Vickers.

David Vickers: I don't know what to make of it on being last. Actually, I want to thank Miss Hansen, she pretty much stole my thunder. I think there is probably not a single thought in there that she expressed although I would not have dared sing it that she did not touch and I enjoyed that actually. I have also learned over the years not to believe everything you read in articles and supposed newspapers and such. I've had enough experience with that to know that even in the best of intentions, sometimes the facts aren't exactly what they seem.

I read the rule that was referenced in that article and frankly it was so ambiguous in the way I interpreted in the way that honestly I have to defer to the legal experts on situations like that. They know the history of municipal law and things as such because quite honestly there was nothing in there that would have told me anything either way on that.

Regarding some of this other issues on item 11 and 12, I would just say that if there is some rule out there that has not been followed and there's precedent out there that the rule has been somehow rather outdated and ignored, then I am in full support of cleaning that up.

That doesn't matter what the rule is regarding any subject. It just needs to be cleaned up and work together to clean up this city as a charter because I'm on the charter committee. Clean up this stuff because there is no room for misinterpretation and confusion and things like that. It's been my observation, I don't really think this has been about the item 11 so much in terms of the-- I've lost my train of thought now that the articles that were in question. I think it's really been about a full-scale attack on the existing management of the city.

I think I can't say it any better than the other folks have already said it. I sat last election quietly and watched a slander campaign take effect and I told myself then after that I felt terrible for sitting quietly and not saying something and not doing something about it. I'm not going to do that again. I'm in full support of this council and this city administrator. Thank you.

Mayor Wheeler: Thank you Mr. Vickers. Former mayor Garry Watts would also like to speak but he only gets to if former mayor Wes Stevens also gets up to speak for 30 minutes. You can't trust these mayors you got to get--

Garry Watts: We can do a two-some. I gave this presentation a long time ago at the state level. I'll make it short and sweet. Four score and four years ago, that's 44 years ago, our forefathers set forth upon this county a new city, Shenandoah. Dedicated to the proposition that all residents are created equal whether they're in a \$600,000 house or \$200,000 house. A senior living or an apartment. This goes on for a long time so I'll make it short and quick. I'm really understanding what's going on in the city because I've been here and I love this city.

All of us have personality conflicts. Anybody read the Facebook pages? Defensive, offensive, missed the subject and I don't know what part of the lowest taxes in the county, the superior water, we no longer-- I cut all the trees down in Tuscany Wood. We became a tree city, the first one in the Montgomery County, not The Woodlands first because they're a township, big difference. I got you out of the association dues over there in Grogan's Mill because I was paying it for three years before we dropped it. Now, the last time we were double taxation without being able to vote we had a tea party in Boston. We quit doing that, they took our money in one last boat even though we were in a city in Shenandoah With the people that have been in power -- I got one guy running. I'm sorry, but he's already admitted he can't finish a sentence using the English language in public. We've got other ones who love their opponent, the incumbent. They love their opponent, the incumbent. They're good people, strong people...so what are you running on.

I hate the infiltrators that come in here with their own agenda like they've done in other cities. They walk up here and they say, they get the contracts in the open meetings information then they go, "Well, that's a whopper." Who gives them the right to tell us, the people of Shenandoah, what we should and shouldn't do? Who gives them the right to infiltrate in here? Who told the people at Sunningdale that they can't vote? Who did that? Somebody on the polling district level. Now, I could go on but I think you catch my drift. Shenandoah can take care of itself. We don't need all these outside people coming in here and telling us what to do. We're the class act of Montgomery County. We're the entree to Montgomery County and that, darn it, let's keep it up.

Mayor Wheeler: Okay. Thank you everyone for the comments. That closes out citizens' forum. Normally, this is where I tell you that there's a second one at the end of the meeting, but I think we pretty much covered it.

11. Discussion and possible action to adopt the following Ordinance: (1:01:48)

(This item was taken out of order)

We're going to move right into item 11 as I previously stated, which is discussion and possible action to adopt the following ordinance, an ordinance of the city council of the city of Shenandoah, Texas regarding city administrator's employment agreement or employment contract providing for severability and providing for an effective date.

Councilmember Frazier: May I make a motion to approve the ordinance as presented in the packet?

Councilmember Houston: I second.

Mayor Wheeler: Do we have any discussion?

Councilmember Frazier: Yes, I'd like to say several things. I would like to clarify that this agenda item was requested by council member Houston and myself, not the city administrator as I have been told that it is out there. As a preface to my remarks, it is worth noting that the city administrator works at the will and direction of city council who in turn work at the will of the people.

It has been pointed out that there has been a city ordinance on the books since 1995 which created the city administrator position and it included a paragraph that prohibited this city from entering into a contractual agreement with the city administrator. In 2002, the 1995 ordinance was repealed and replaced by a new ordinance which changed some aspects but which continue the prohibition of an agreement with the city administrator. This is found in section 2-96, term of office.

The 2002 Replacement Ordinance was passed by unanimous vote by Randy Doyle, Ken Gaillard, Larry Kaiser, Becky Altemus and Ken Smith. This prohibition was apparently not known to numerous city councils in Shenandoah because written employment agreements have been utilized by the city since 1998. This includes the following agreements August 1998, Ron Bourbeau signed an agreement. August 12, 2009 Chip Vansteenbergh had an agreement. Our current city administrator, Mr. Greg Smith started work on November 1, 2009 and had an agreement which was signed in November of 2010.

All the foregoing agreements were signed under the supervision of Mickey Deison our city attorney during that period. Mister Deison was also present when the ordinance prohibiting agreements was written repealed and replaced as far as I know. This brings us to February 1, 2017 when the city's previous agreement with Mr. Smith was replaced with a new agreement.

Written agreements with city administrator exist in abundance in Texas. I sent open records requests to 14 cities, only 14 I still don't know but I did, varying sizes to determine if they had written agreements. All of them came back with a positive response that their city administrator or manager had a contract. They are Mesquite, West University, New Braunfels, Oak Ridge North, Blanco, Athens, Willis, The Woodlands, Corsicana, Round Rock, Buda, Richardson, Roanoke, Cleburne.

This should be sufficient evidence that written agreements or a normal practice. The city should have the ability to hire the best professionals available to serve in the role of city administrator and enter into a written agreement to secure their services, a written agreement stipulates very clearly that the performance expectations are of the city administrator and also very clearly states what his or her compensation will be.

When expectations are clear on both sides of an agreement, disappointments are far less common. That the repeal replacement of this ordinance in 2002 demonstrates a right and obligation by the city to update the city's ordinances to keep up with current needs and conditions. For example, we just talked about -- well, we're going to talk about changing the ordinance relating to farm animals and trash.

It may have been right at one time for the city. I don't know what their thinking was, but I do know mine and I know that this portion of the ordinance is not in the best interest of the city of Shenandoah. It promotes greater instability for the city because an administrator without a contract is an administrator who's looking for a more secure position with a contract, that's all I got.

Mayor Wheeler: Anybody else?

Councilmember Raymaker: Yes. I would like to add why the city should take this 24-month poison pill and why we should subject taxpayers to going through that.

Councilmember Frazier: Next topic...next topic

Councilmember Raymaker: How is that being -- how is that --

Mayor Wheeler: We're talking about the ordinance, not the contract. Let's focus on the ordinance, not the contract. I'm not trying to -- It's a good discussion for the next time, but let's focus on the ordinance right now.

Councilmember Raymaker: All right. Focusing on the ordinance then, the existing rule prevents the city council from abusing taxpayer rights and dollars. So by taking a rule off the book, it gives us the opportunity to do something that maybe probably we shouldn't be doing. Why would we again take the poison pill?

Mayor Wheeler: I'm trying to find my power button here. Anybody else?

Councilmember McLeod: I'm going to talk about this from two different perspectives. One, I do appreciate - I'm eating this mic - everybody's comments. We've talked about this numerous times and I believe Greg's done a good job. But this isn't about Greg Smith. This is about the position of city administrator. And so, the question is do we create a situation where we enter into contracts?

We'll talk about the specifics of the contract in the next item. This is a question of as a philosophy of the city. Do we enter in the contracts with long term clauses? Which is typically the context contracts have. There is some -- in this ordinance, in the ordinance that we already talked about, most of his duties, his responsibilities and those things were already enumerated. So unless we want to change some of those duties, I'm wondering where the need for contractors is.

More recently, I've actually got a question on legality and I'm glad we did this. We finally got some answers and I do understand most cities have that. My concern is General Law cities and this is really in an attorney question, because general law cities are governed quite differently than Home Rule cities. There's an interpretation and I wonder if -- it seems to me, we still haven't gotten a clear ruling from the courts based on the Texas State Law the Texas provisions about whether General Law cities are allowed to have contracts.

It seems to me with this court case, that's still up in the air. I'm a little concerned about it from that perspective and I didn't know if we've gotten some clear guidance from Attorney General or from the court.

Mr. Ferebee: There's no law about whether you can have a contract or not. The law for General law cities municipal such as ours class A is that the city administrator or city manager is employed at will and that is still the case with this contract or not the city council can terminate Mr. Smith tomorrow if you choose. The difference, the contract has a provision for severance pay under certain conditions if he is terminated up to 24 months in the case of this one. But there's no case law out there. I've read the statute, as far as I'm concerned, the statute is clear that Mr. Smith is an at will employee and

there's no prohibition from entering into an agreement to pay severance pay. That's a council decision.

Councilmember McLeod: Okay. Without digging way too much into the court, the situation, or the concern from the General Law cities who would have contracts, so of the cities -- I guess I'll ask Darrell. Of the cities that you listed, I picked out Oak Ridge as one general law. Were there other General Law cities that had contracts? I'm sure most of them --

Councilmember Frazier: I just randomly picked those cities. I mean there's one out there that didn't charge me to have open records and made open records requests.

Councilmember Houston: I'd like to comment on the question about the legality as regards to the Texas local government code 25.028 that's been brought forth in a couple of different emails that are floating around. We have a relationship with Texas municipality as a legal arm that helps us identify what Texas law covers and I made a call to the TML to ask specifically if there was an issue related to having a contract for the city administrator.

They said the only time that's an issue is if he is elected. If he is hired by the City Council, then the City Council can have whatever they would like as far as having a contract or no contract. There's no legal stance as far as that determination. It that could be made, so 25.028 which is specifically rated General law cities is only in effect with the city administrator if he is an elected official.

Councilmember McLeod: Thank you for doing that.

Councilmember Teague: I have a comment. I would like to say that city administrators -- I support city administrators having a contract both current and future under contract, not just this man here tonight. This is in the best interest of the city. It is apparent that the majority of our previous City Council members of the past also have supported this and because they have voted in favor of contracts for current and previous city administrators since 1998.

When I came on Council, Greg Smith was under contract. When Mr. Ferebee was hired, Greg was under contract. I support this ordinance being repealed and changed.

Councilmember Frazier: And Mike, you stated that -- well, this is something actually that you don't have to enter into a contract but you may for future city administrators. It gives that option. To me, you're not going to find a quality person out there -- he's not going to come and get hired unless he has a contract and that's what I've heard through talking with the TML lawyers and also through other city administrators.

Mayor Wheeler: He or she. I'm not going to beat a dead horse but I did my due diligence and I've done a whole stack of contracts from cities around the state. So it's apparent to me that that's part of the industry. Never having been a city administrator myself, I had to do a little research. You want to say something, Ron?

Councilmember Raymaker: Yes, I was wondering about when we have a contract does that expose us to additional liabilities that we wouldn't otherwise be subjected to?

Mr. Ferebee: The only additional liability is the potential severance pay.

Mayor Wheeler: Mike?

Councilmember McLeod: In this particular ordinance also, there is a clause I'm concerned about. In general, now that we've cleared out the legal issues, the general concept of a contract isn't a problem.

I do have a concern with section two which says specifically, "If any of the terms of the contract or agreement are in conflict to the provision of any ordinances, the provisions that are in conflict are immediately repealed."

So my concern is that means we're not looking at ordinances individually. What we're saying is, we're going to pass the contract and, oh yes, well, there is this ordinance. Well, we now, instead of backing up and looking at what ordinance might be in conflict, we're going to say that his contract rules supreme over any law or ordinances in the city that we might already have in place.

That's a big concern for me more than the generic idea of the contract, is really that -- I don't really have a lot of problems with. I do have some issues thought with that to say that we're effectively making the contract with the city administrator supersede any other law that this city might have. And so, I have a problem with that particular clause in that and in the way it reads on with the rest of it. I don't understand how an employment contract would supersede our city laws, and so that's a concern like I said that --

Councilmember Frazier: That would only be pertaining to something in another ordinance that pertains to the city administrator.

Councilmember Raymaker: It just seems that by having a contract, you can put terms into the contract that basically negate the at-will provisions. A severance package, for instance, negating your at-will decision.

Mr. Ferebee: State law is that the city administrator is at will.

Mayor Wheeler: I think we're getting the at-will part confused. At-will, under my understanding, has nothing to do with whether or not he has a contract.

Mr. Ferebee: Correct. And he will always, as long as the legislature leaves in effect, the statute, any city administrator will be an at-will employee of the city.

Mayor Wheeler: We're an at-will state, aren't we? Isn't everybody at-will?

Mr. Ferebee: Well, pretty much but --

Councilmember McLeod: What's the difference between an at-will employee and someone who's not at-will?

Mr. Ferebee: In a private setting, you can have a contract where you have employment for a year, two years, five years and you can have a contract where you're not terminated and can't be, those are extremely rare. You usually find them in large companies, buy-out situations but they're very rare.

Councilmember Frazier: Bill, maybe you can answer Mike's question about section two.

Mr. Ferebee: Section two simply says if there's a conflict which one prevails. You could re-write it in the opposite if you chose. It's just a clarification, if there's a conflict, which do you want to prevail?

Councilmember Teague: Supersede it.

Mr. Ferebee: Yes. Which will supersede which. It's for clarification purposes.

Mayor Wheeler: What is an example of that you would be worried about, of something being a conflict?

Councilmember McLeod: Literally, the point could be anything. If we want to write to his contract, Greg Smith is allowed to park in his grass. That would supersede our laws and say that you're not allowed to park in your grass.

Mayor Wheeler: Agreed. I will play devil's advocate for a minute. We'd vote or you all voted on that and that would allow him to park in the grass. If it didn't say in the contract, then you all could vote on an ordinance that let Greg Smith park in the grass. So either way, you're voting on something that's going to allow him to park in the grass.

Councilmember McLeod: There's a difference between -- the employment contract though is not part of our code of ordinances and what we're saying is, the person who is in this position is not subject to our code of ordinances.

Mayor Wheeler: As long as it's written in the contract.

Councilmember McLeod: As long as it's written in his contract. Whatever pieces we don't want him subject to, he wouldn't be subject to. That's my concern is, if there's -- and I'll bring it up later. What we need to start doing and I think we will going forward. We're pretty good about learning lessons and stuff going forward. We'll start a little bit better with diligence and when we find that, so if we want to, somebody says, "Maybe Greg --" Next negotiation said, "Man, I really -- I want to get used to that track there and I want to put park up on my grass, if that's going to be part of my new contract."

We would look on the zip code of ordinances and say, "Well, no, there's an ordinance against that," but if we want Greg Smith to be able to park on the grass, well we'll just change that ordinance. Let everybody park on the grass. Okay? Yes, I'm using this very ridiculous thing like parking on the grass intentionally

But rather than create a situation where we exempting one individual, who happens to be in the position of city administrator, my suggestion would be, if there's some things in conflict and it needs to be taken care of, we take care of it through the ordinances through our sets of laws so that we know that everybody is under the same law, and that's my concern. Is that, everybody stays under the same code of ordinances and we don't create for exemptions for the person who's leading our city. And that's really the --

Mayor Wheeler: I don't disagree with that. I wonder if there's a language --

I wonder if there's some sort of language we could write into section two, which would state, if the terms of the agreement for contract or can conflict with provisions of the ordinance relating to his employment or something along those lines.

Mr. Ferebee: Then, you write the ordinance will prevail.

Councilmember McLeod: Yes, you just reversed that, to say city ordinances prevail over the terms of the contract.

Mr. Ferebee: Correct.

Councilmember McLeod: Which is what most of our -- I mean you think you have a contest, right? The contest is here's the rules of contest, the rules are void where -- right? We do this all the time.

Mr. Ferebee: Section two is simply meant for clarification. You can write it reverse just as easily.

Councilmember Raymaker: Are we saying that this ordinance isn't ready for prime time?

Mayor Wheeler: Darrell's just thinking.

Mayor Wheeler: Section two. It's right there. The only ordinance that would affect this would be the ordinance that's currently on the book which says, you can't have a contract if you all are repealing and replacing that ordinance. I feel like I'm talking like Obamacare. If you all repealing and replacing that ordinance with this one, then that ordinance is no longer on the books. You don't have an ordinance any longer that is in conflict with that.

So now, the only thing that this affects is saying that all the other ordinance in the city take precedence, i.e. given the example that Mike said, Greg can't go put his own water heater in his house, through your point too. We're using the term Greg when we start talking about the city administrator because --

Councilmember Frazier: That's we're talking about is the city administrator's contract here, not our current city administrator. This is for future ones too.

Councilmember McLeod: Exactly.

Councilmember Frazier: So what's the wording on that, Bill?

Councilmember Frazier: Okay. I amend my motion to approve the ordinance as stated within section two, deleting the last sentence where that says, "The provision has in conflict with the employment agreement or contract or repeal."

Councilmember Houston: What you just said.

Councilmember McLeod: So, Bill, you don't think we need to specifically say that the terms of the contract that are in violation of the ordinance are repealed or the term of contract that are in violation or the ordinance are considered invalid?

Mr. Ferebee: Yes. Just take out the last sentence of section two.

Councilmember McLeod: Okay. Explain the legal terms of enforceable against the city.

Councilmember Teague: They can't hear you.

Mr. Ferebee: Yes. I'm sorry. Enforceable against the city means if you have a contract and the city breaches it, you can sue the city.

Councilmember McLeod: All right. So for the record, what we're saying here tonight, because I want it on the record, is if any terms of his contract are in violation of an ordinance, the terms of his contract that are in violation are void. If he ends up having a contract, and there's a portion of that contract that's found to be in conflict with an ordinance, those pieces of that contract that are in violation of the ordinance are invalid?

Mr. Ferebee: Correct. The ordinance would then control.

Councilmember McLeod: Okay. Cool.

Councilmember Raymaker: None of which we have to worry about if we don't repeal the ordinance.

Mayor Wheeler: Okay. So we have a motion on the floor but --

Mayor Wheeler: Yes, it is getting just a tiny bit noisy in the back which is hard for us hear up here, each other.

Audience: We're having a hard time hearing you.

Mayor Wheeler: What's that? You're having a hard time hearing?

Mayor Wheeler: Can you hear me right now?

Audience: Yes.

Audience: We could hear him.

Mayor Wheeler: Couldn't hear, Bill? Okay.

Mayor Wheeler: Well, you know these lawyers. Okay. We'll do our best to speak up, thank you. Okay. So on the floor, Councilman Frazier has a motion to accept the ordinance as long as we strike the last sentence which reads, "If any of the terms of the agreement or contract are in conflict with provisions of any ordinance to provision that is in conflict with the employment agreement or contract is repealed."

Councilmember Frazier: That's correct.

Mayor Wheeler: Section two. We have a motion on the floor.

Councilmember Houston: Second or agrees with that change in the ordinance.

Mayor Wheeler: We have a motion and a second. Do we have any more discussions? Is that all the discussion we need, all in favor?

Councilmember Frazier: Aye.

Councilmember Teague: Aye.

Councilmember Houston: Aye.

Councilmember McLeod: Aye.

Mayor Wheeler: All opposed.

Councilmember Raymaker: Aye.

Mayor Wheeler: Motions carries four, one.

12. Discussion and possible action to ratify the City Administrator's employment contract. (1:28:21)

(Item was taken out of order)

Mayor Wheeler: Moving on to item 12, discussion impossible action to ratify the city administrator's employment contract.

Councilmember Frazier: I make a motion to ratify the city administrator's contract.

Mayor Wheeler: Do we have a second?

Councilmember Houston: Second.

Mayor Wheeler: Do we have any discussion?

Councilmember Frazier: I got several things to say again.

Mayor Wheeler: Real quick. Darrell, before you do that, if you all could -- just if you're not speaking into the microphone, turn yours off. That might help quite a bit. Bill, you turn yours back on when you start speaking.

Councilmember Frazier: We just repeal the ordinance that prevents this agreement where there's -- here is my reasoning why we need to ratify the current agreement with Greg's Smith, our city administrator. Under Mr. Smith's leadership, the city did not enter into the San Jacinto River Authority Plan that would have cost the city over one million dollars per year.

During Mr. Smith's tenure, our credit rating has improved to a double A plus because of several important changes that he led. One, being an increase in our reserves from very minimal to nearly four million dollars right now. Another improvement in financial practices is that we no longer subsidize water, sewer and trash collection cost, which is something that our auditors were dinging us on.

Mr. Smith discontinued the expensive practice of city purchase of some personally used vehicles for our city administrator, assistant city administrator, public works director, our assistant public works director and the police chief. The city bought the cars, paid for the insurance and pay for the gas and all the license plates were not tax exempt.

Mr. Smith has taken that away and we have very wisely replaced the cars with car allowances to control cost and they have limited liability exposure to the city. Since Mr. Smith has been here, our property tax rate has gone down every year pulling 10 cents per hundred valuation a total of that. In addition, Shenandoah was the first city in Texas to de-annex from an emergency services district which saved another 10 cents per hundred.

These two areas have saved our residents at least \$550,000 per year in property taxes. Also, with the agreement with fire services with the Woodlands, the city received the highest possible ISO fire risk rating of one. At the time of the award, we were the smallest city in the state of Texas and in the nation to receive the highest possible ISO rating. This saves residence and businesses on their insurance premiums.

When the Research Forest flyover was proposed, Mr. Smith called it to the council's attention and a resolution was written and passed by the city council to impose a flyover. With his knowledge and contacts, he also helped to stop a grazed separation on Research Forest to Grogan's Mill that would have had a negative impact on residence and businesses in that location.

Mr. Smith's record and work ethic indicates his desire to make Shenandoah the best place it can be to live and work. Before I close, I'd like to clarify a couple of key provisions in the agreement. Much has been said during recent political activities about the so-called golden parachute that Mr. Smith will benefit should he leave and cease employment. First, if he leaves on his own accord, he must provide 60 days' notice and he will receive no compensation other than his PTO time for vacation and sick leave.

Second, if the city terminates his employment for reasons other than cause as outlined in the contract, he will be paid his normal salary and benefits until he starts another city administrator or city manager

job or two years, whichever comes first. This is not a golden parachute, it's a provision designed to provide our city administrator with enough financial stability, a focus on his job and not on the future employment.

Someone of his caliber is a desirable candidate for many larger municipalities and we should focus on retaining his services. Finally, I'd like to note that our city administrator's contractual pay and benefits are reasonable and customary for this level of responsibility and his demonstrated skills.

Mayor Wheeler: Anybody else? Any more discussion?

Councilmember Raymaker: I'm just following up on what Mr. Wertz had mentioned about the transaction between Mr. Smith and Mr. Frazier on a home sale that took place in November of 2012 and if there had been any disclosure to the city.

Mayor Wheeler: I'm not sure how that's relevant to the contract, Ron.

Councilmember Raymaker: It is in terms of the favorability and having to abstain from the vote.

Mayor Wheeler: I don't see how that's relevant. Okay. Go ahead. If Bill says it's okay, it's okay.

Councilmember Raymaker: Well, yes. I just said that. It's a matter of how can you be objective when you've had personal dealings on a property matter that neither one of you ever disclosed to the city. What was the value of the home sale? What happened there?

Councilmember Frazier: That was a private transaction between two home owners.

Councilmember Raymaker: But there's a direct reporting relationship between the two of you. You said, in head, the committee that comes up with the contracts, performance reviews. I'm just looking at it from being inappropriate. Other people here have taken their vote off the floor for something that is minor as starting blocks at the pool.

Councilmember Teague: As an employee of CISD, he took himself off that. That was the reason. As minor as you think it is, that is the reason.

Councilmember Raymaker: Likewise, I did not vote on Ken Smith's insurance contract.

Councilmember Teague: Neither did you vote on the budget.

Councilmember Raymaker: I did vote on the budget. I just didn't vote for it.

Councilmember Teague: You voted against the budget. That's correct.

Councilmember Teague: I would like to state that in 2009, the ending salary of Chip Vansteenbergh, the previous city administrator was \$125,391. Greg Smith was hired in 2009 at a \$120,000. It took three years of his service here in Shenandoah before he exceeded Mr. Van Steinberg's salary. I think that it is fair. His contract is a fair representation of the amount of work that this man does for this city, for your city, and his city because he is also a resident and he cares very deeply for this city.

He's passionate about it. Everyone in this room is passionate, those that are residents I might add, are passionate about our community. We love our community. We love being here. We raise our families here, and our children come back here, because they love it. It's very upsetting to see that the divide that is happening. This is very upsetting for everyone as we can all hear.

I just wanted to note that Chip Vansteenberg's salary was higher than Greg Smith's salary when he was hired and it was previous city council before any of us were on council. Thank you.

Mayor Wheeler: Nothing? Mike?

Councilmember McLeod: Let me see.

Councilmember Houston: This gets way past passionate. This gets way past whatever I had even thought this could come to. I've never seen any kind of incredible attack or slander or divisiveness, viciousness that comes toward a particular person, not just a position but the person. Because this is not about city administrator, I don't think.

I think this is a personal vendetta and I don't think that that's the way this thing should have been approached but that's the way it's coming out both in social media and in some other presentations by some press groups. But the process that this came about from, was not just to protect the city manager, the city administrator. It was also to protect the city.

The whole idea behind the whole contract was to keep people that don't like a particular person to come in and just run him out on a rail just because they wanted to. The idea about the 24-months' severance only relates to if the city administrator is to be released based on cause. So if there is no cause then he gets released, then -- If he gets terminated for cause, he gets nothing. There is no golden parachute. If he quits, there is no golden parachute.

So the only issue is if he is fired without cause which is an indicator that it saves, that city administrator 10 years from now or at least five years from now, that may come around for a group of people that just want to come in and run him off, just because they don't like him. That was the attempt, it wasn't anything else.

Again I say, if he is fired with cause then he gets nothing. There is no 24 months. He gets just his PTO time. I took this job strictly to serve the city and I feel like some attacks have been issued. I'm just alarmed with it. This is not what I signed up for and I think we've got a great city administrator.

Councilmember Raymaker: Well, we get just on over the previous section, which was the at-will work. This is what I wanted to talk about where this particular provision would handcuff any future city council, and takes away essentially our at-will provision for any future council. I think at the very least we should be cutting back this severance package from the two years which is pretty uncommon -- and make it something more reasonable, like three to six months.

Councilmember Frazier: This isn't a renegotiation of a contract.

Councilmember McLeod: Yes, I just -- people are going to be curious. So I'm concerned about the -- what I see is some lack of accountability. We've talked about basically there's provisions in here as long as his crime is not a felony, we can't consider that. I'm a little concern about that. In general, there's a handful of things in here.

My real concern is not being able to have an opportunity to compare to a market group and I know we're not going to renegotiate. This is going to be up and down, and that's fine. But to look and see what city administrator contracts look like across the state. I think that was a question I brought up earlier. I had an opportunity to do some Freedom of Information Act, taken a look at some other contracts. They look a bit different than this. Anyway, that's -- I'm going to leave it here.

Mayor Wheeler: Anybody else? Well, I'll go last then. I'm going to talk about something that's a little bit different than what everybody else said, and I want to go on record. I've already had this conversation with Greg, so this is not going to be anything new.

I don't like the process and I think the process is how what got us here. If I were Mike, or Ron, or even Jean, and you ask me to vote on a contract of this magnitude for a City Administrator that I didn't have any input on. I didn't get to sit and throw my ideas out and I didn't get to have any kind of discussion as to what I thought would be a good or bad.

I know in the past, the committee thing was the way we did it or the way other councils did it, or even the way maybe you all did it before we got here. But I'm just telling you, when new people come in, new people have ideas. That's sometimes why they get elected is because of those new ideas. I would have a hard time voting for contract that I got zero input on.

Then I'll take a step further as mayor, I have a hard time signing my name to the bottom of the contract that I didn't get to have any input on and was basically told it's my way or the highway. It was also told you don't have enough experience to be on the committee so we're going to take you off --

Hold on. Wait, wait, wait, wait, wait. Thank you very much. Thank you very much. But I'm not asking for applause. I'm trying to make us all better and I don't want it to seem like a personal attack to against Darrell and John, because it's not at all. That was the format for which you all were set up. That was what you were asked to do, you did exactly what your jobs were.

But my point is, I think that was a bad format, and I think that's what got us to this point right here. I think that in future contracts of this magnitude, need to put all six of us in a room. If it takes us eight hours to figure it out, by God, that's what we signed up for.

Councilmember McLeod: Amen to that.

Councilmember Raymaker: Yes, I agree with what Ritch just said because the date of the contract came up. It dropped into our inboxes somewhere around, I don't know, 8:00 AM or 9:00 AM, and I'm not even going to see that email until I get here that day. We're coming in, it's dropped on our laps and here it is, boom.

Mayor Wheeler: Okay. So we have a motion on the floor. We have a second. We've had all of the discussion. I think we needed to have -- unless we need to have more. All in favor.

Councilmember Frazier: Aye.

Councilmember Houston: Aye.

Councilmember Teague: Aye.

Mayor Wheeler: All opposed.

Councilmember Raymaker: Aye.

Councilmember McLeod: Nay.

Mayor Wheeler: Motion carries three-two.

We're going to take a bathroom break for about 10 minutes. We'll resume the meeting at eight o'clock. How about that? We'll be eight o'clock on the nose.

Mayor Wheeler: We're going to get back started here just a few minutes. If we can get all of our council members back up front. Is there a party going on in the lobby I don't know about?

Okay. Let's call the meeting back to order. Yes, right. We should move these things right where we want them. The joke is I'm about to move another item.

10. Discussion and possible action to request formal written notification to the residents of Sunningdale Senior Apartments of their constitutional right to vote in all City elections. (2:01:32)

Let's move item 10, which is discussion and possible action to request formal written notification to the residents of Sunningdale Senior Apartments of their constitutional right to vote in all city elections.

Mr. Smith: Council, at your station, you actually have a copy of a letter that is being sent to every registered voter in the Sunningdale complex, telling them that they do have the right to vote in the city elections. They are still trying to figure out what happened last year. What we have been told what happened last year is that the issue of their voting was corrected the day before the election, but the new printed form that showed who the registered voters was not sent to the polling location.

There is still some confusion on what happened last year. The county attorney's office, election central and everybody is looking into it. The specific item tonight is to make sure that they would be given a written notification and the county election office is taking care of that. You have a copy of the letter at your station.

Councilmember Raymaker: What's the city's role typically then in making sure that a newly annexed portion of the city is included in the voting?

Mr. Smith: We have a requirement that we notify the county of that annexation. That did occur in 2008 when the said piece of property was annexed. Kathie has confirmation that they received the annexation. I believe it's 2008, that's correct Kathie, right? Yes, and the letter has already been mailed out. The agenda item was put, if we did not get a-

Councilmember Teague: Confirmation?

Mr. Smith: -- a confirmation that this letter was being sent out, the discussion was, "Would the city send a letter out?"

Mayor Wheeler: I'm looking for a motion.

Councilmember Teague: We actually don't need to make a motion if this -- we don't need to send a letter if the --

Mayor Wheeler: Discussion and possible action to request formal written notification, that's what agenda says.

Councilmember McLeod: Yes, we already got it.

Mayor Wheeler: What's that?

Councilmember McLeod: We've already got the letter.

Mayor Wheeler: I understand we already have it, but I'm just saying that's what the agenda item says. I don't know if we have to follow it.

Mr. Ferebee: Well, you don't have to take action.

Mayor Wheeler: Yes, but we can send the letter anyway.

Mr. Ferebee: Yes. I think the county is --

Mayor Wheeler: Or we don't want to send the letter because the county already did, is what you all are saying.

Councilmember Teague: Right. At the time, we were at near a deadline to get on the agenda. We did not have confirmation. Nancy and I called -- Nancy Smith and I called the county elections office and found out this information after talking to several residents and learning that they were turned away at the voting polls. They have told us that they were not given provisional ballots. All of which, we conveyed to the county election office.

I later had a conference call with the county attorney's office who is also researching this and the statutes that apply to any elections where and which they were missed or turned away from. It's still under research. My instigation in this was to make sure that the residents knew and were aware that they were allowed to vote because they had been turned away for years. That was the precipitous to calling and getting -- requesting Susie Harvey, the county elections administrator, to send a letter to each and every registered voter in Sunningdale Apartment complex.

Mayor Wheeler: Have you all gotten this letter yet? Anybody seeing one of these? It's only dated April 10th, so it maybe in the mail. We'd love some feedback if you don't get it or if you do get it here in the next couple of days or a week or something. I wish they had gone out a little earlier because obviously it's too late to register. I hope we didn't have some people abandon that idea, because they didn't think they could. This was --

Audience: So you mean we can't vote?

Mayor Wheeler: Yes, you can. Yes, ma'am, you can.

Councilmember Teague: You absolutely can.

Mayor Wheeler: Yes. Absolutely. Okay. So --

Councilmember Raymaker: This was only for Shenandoah elections, it wasn't for county, presidential...

Councilmember Teague: We were told that they had voted in -- I was told over the phone that particular people that had told me they were turned away at the polls in city elections. That they had voted in other elections like the national elections and county elections, but not city elections. Again, I wanted an authority, the county election's authority to notify each of the registered voters that they can and they are on the roles.

Why they didn't get put in until May sixth is yet to be determined and why that was delayed is still yet to be determined. If they got added in on the sixth, they had no idea that they were added in on the sixth. It's only right for us to be sure that they are notified and that communication reaches them individually as registered voters.

Mayor Wheeler: Okay. Thank you. I'm glad we got that straight. I'm glad you folks would be able to vote. It's a good thing.

4. Discussion and possible presentation by the involved parties regarding bids for water plant #4.

(2:07:30)

Mayor Wheeler: Let's move on to item number four.

Councilmember Raymaker: You're killing me.

Mayor Wheeler: Only an hour and 10 minutes later, you didn't mind waiting, did you? All right. Discussion and possible presentation by the involved parties regarding bids for water plant number four.

Mr. Smith: Council, this is a discussion item only. As you remember, the water plant time schedule that we have discussed, bids were taken. We did receive eight bids. The low bid is for \$1,754,000 or \$1,754,050 dollars to Shier Construction. This is nearly or is \$750,000 under the budgeted amount of 2.5. You do see all the bid amounts in your supporting documents. Low bid of 1.7, high bid of two million. There was not a wide disparaging amount of the dollar amounts bid. Staff will be recommending Shier Construction at the second meeting this month.

Mayor Wheeler: I have a question for Derek. It says base bid with cash allowance is 1.754, and they are the lowest. Then if you flip over to the next column, the total base bid with allowance and alternate items, they're actually the highest. What does that mean alternate items?

Derek Wind: The reason they became the highest, there was an alternative item for alternate tank, the ground storage tank which is the big one that holds the water from the well. We were looking to possibly do a different type of tank that had a glass-fused coating, a little bit more durability. Unfortunately, that manufacturer had some confusion about the foundation of the tank, and so they put a very high bid in for the foundation. That raised the cost of that tank to I think it was 750,000 or a million dollars which is why with that alternate it got so high.

There are other contractors because of that confusion, they didn't bid that item and all. Their number was zero, so that's where the discrepancies came from.

Mayor Wheeler: This other bids on the right hand side of the page that are lower than theirs, they don't include that tank, that \$750,000 tank?

Derek Wind: Right. It includes a tank that's a powder coated tank versus the glass-fused tank. The tank's still in the bid, it's just not that different type of tank that we were looking to possibly bid. Even for the ones that also bid the tank and then put zero in the column, the lowest price I think was 200,000 which was more than I think would be recommended to go to that type of tank anyways.

Mayor Wheeler: It does. It clears it up. What we're saying then is effectively, we want that more expensive tank. We're going to spend the 2.6 million?

Mr. Smith: No, we're not making just opposite. It's, we do not need the upgraded tank at the expense that it came at.

Mayor Wheeler: Okay. So we don't have to worry about the right hand column.

Derek Wind: Right. Basically in the bid, we wanted to add that. The reason you have alternates is, hey, this would be a good idea if the price makes sense. In this situation, the price did not make sense.

Mayor Wheeler: Okay, good. Thank you for clearing that up.

Councilmember McLeod: I have a question about the sound enclosure. The pump itself doesn't actually generate much noise. Is that correct?

Derek Wind: The sound enclosure is actually for the generator.

Councilmember McLeod: Generator, right. That's what I was following up on. So that's only if we lose power. Is that correct? Or we run a generator very frequently?

Derek Wind: Right. The only other time would be when you're testing the generator which is 30-minute exercise. You could schedule when you would do that.

Councilmember McLeod: Okay. Is there any sort of -- I know we're adjacent to wetlands and then of course we've got the stadium and other activities there. In terms of the generator, when it's running, there's not that much noise. I mean we're looking at for size.

Derek Wind: It's really not. The enclosures are there usually when you're in the residential area and you might be right next to a residence or something like that. I think there's little to no concern as far as the sound that will be created.

Councilmember McLeod: Okay.

Mayor Wheeler: Anybody else got any other questions? You got anything else you want to throw in? I feel like you've waited this long you might -- Give us all you got.

Derek Wind: I would like to say that. We had a lot of interest in the project. Eight bids is a great turn out for the project. Glad to see people are willing and excited to work for the city. It definitely helps us to get good prices on our projects.

Mayor Wheeler: Good, thank you for that.

5. Discussion and possible presentation by the involved parties regarding a resolution establishing senior management positions. (2:12:55)

Mayor Wheeler: All right. Let's move on to item five. Discussion and possible presentation by the involved parties regarding resolution, establishing senior management positions.

Mr. Smith: Council, this is just an updated resolution naming who the senior managers are. If it is council's desire, we could actually not have to update this every so often and just go by titles. The titles really what is important here. There is only going to be one finance director, one capital projects director, one director of public works. If wanted to, we can adopt this without names or continue adopting it every time we have management changes in the senior management. It's council's choice on how often you want to adopt this.

Councilmember McLeod: I'd like us to write a nice resolution that could stand the test of time and just be titles. That's my personal thing. People move in, move out there's no reason to keep write and rewriting, basically rewriting again our city laws to handle personnel changes.

Mr. Smith: Okay.

Councilmember Teague: I agree.

Councilmember Houston: I agree.

Mr. Smith: I'm seeing a lot of heads nod while that conversation was going on. We will bring it back without names for adoption at the end of the month.

6. Discussion and possible presentation by the involved parties regarding employee compensation.
(2:14:14)

Mayor Wheeler: Moving on to item six, discussion and possible presentation about the involved parties regarding employee compensation.

Mr. Smith: Okay. Council, as you recall, last year during the budget workshop, we did a salary survey again. Council made adjustments, a one-time adjustment in the salaries, but then ask the policy committee to review the scale in its entirety. We, the committee met, and staff provided support giving them a lot of additional information and what has come from all the supporting documents that you have in your packet is that there needs to be no adjustments to the city's pay scales for employees. That they looked at the averages.

One idea that we looked at was dropping the first two years or three years, dropping the last two or three years and to put our scales completely out of whack. We then looked at the scale without dropping any years, when you took out the highest salary for each position, that actually put us in very close range or high in all the positions on the high and low. That's where the recommendation to not adjust the salaries came from.

One thing that they did discuss is taking the scale from 20 years to 15 years. That way, the employee that starts year one then goes through 15 years of employment here, their paid scales doesn't change. The bottom and the top doesn't change. It's divided over fewer years. That was recommended. And so, the cost of reducing the scale is \$161,000 one-time expense. That's it.

To get everybody off of the 20 and on to a 15-year scale is a \$161,000 one-time cost. Each additional year is \$23,000. It is no COLA increase. It is no pay raises for employees. It's just taking the scale from 20 years down to 15 years. Again, when you looked at the scales and you took out the high salary on every position that put our scale almost perfectly in line with the other cities that we have evaluated.

The other recommendation that came from the committee is if we have a position that we really want to recruit a high caliber individual. The department head can request a one-time stipend to the employee of up to \$5,000 that is approved by the city administrator. That would have to be something that is justified by their years of experience, where they're coming from, if that would be all inclusive of moving anything that it would be.

It's not just that they get to have a \$5,000 sign up bonus. This is to help that individual who may be coming from West Texas to be here. We have done that. It's just has not been in a policy. We are actually -- the committee is recommending that we actually put that in the policy to where that could occur, if the department head requested it.

Councilmember McLeod: Is 5,000 enough? Is that competitive?

Mr. Smith: It actually is pretty competitive, for the positions that we would be doing. There is no action on this tonight. This is just the first discussion with the committee's recommendations. We can discuss it further or we can use these numbers and budget with them and have the discussion during the budget workshop. It is up to council on how you want to proceed forward with this.

Councilmember McLeod: Budget workshops are great time to talk about this as we move forward. We can talk about it in future workshops as well between now and then of course. That's my thought.

Councilmember Raymaker: Agreed.

Mr. Smith: One clarification, do you want staff when they are preparing the budget sheets for the departments. To adjust for the 15-year scale and work back from that? Or leave it at the 20 year scale?

Mayor Wheeler: Let's say maybe see both?

Mr. Smith: You're duplicating basically the entire budget two different ways. Because those numbers just -- each department rolls up so you'll have the entire budget twice from every department at least three to five sheets because you're talking about insurance rates, retirement rates, everything that has to be done twice, if you do it two different ways.

Councilmember Frazier: Yes. That affects FICA and everything else, right?

Mayor Wheeler: Yes.

Mr. Smith: It does.

Councilmember McLeod: So the 15 years is the more expensive one, right?

Mr. Smith: Yes sir.

Councilmember McLeod: Do that one.

Mayor Wheeler: Do the 15 and then maybe see a comparison, just showing --

Councilmember McLeod: Yes, we can see some one or two comparisons that's good. I think we need to plan for that and as soon we're going to go to that route. If there's some reason, if we find some data and we have some discussions between now and then that suggest otherwise. But for budgeting purposes, I always want to over budget and under spend.

Mr. Smith: If that's the council's wish, that's the way we will prepare the budget and then we can discuss it at budget workshop on what is actually gets adopted. Council, just one other note on this. If you go back to the employees survey, the 20-year scale was one of the largest complaints from the employees, is that the 20-year scale was so long that they wished that would be reduced.

With the salary scale that we have done and have proven up every year and adjusted and looked at it, I think the positions aren't right but I think this is a great option for the employees as well as recruiting new employees.

7. Discussion and possible presentation by the involved parties regarding revisions to the employee policy manual. (2:21:24)

Mayor Wheeler: Okay. Item seven, discussion and possible presentation by the involved parties regarding revisions to the Employee Policy Manual.

Mr. Smith: So council, you have seen all the policy revisions red lined in your packet. Most of them are fairly mired but we'll go over all of them here. We originally had the word "Crocs" were not allowed. They are a clog style plastic shoe. Very, very comfortable, if you've ever worn a Crocs you'll love them. But they look unprofessional, so that's why it was labeled Crocs. Well, Crocs has gotten smart. They now had created shoes that looked like regular shoes.

Now, what we have done is we changed the policy to read classics stone cap...classic clog style Crocs. Boy, that's a mouthful.

That's the reason for that change. Okay? The next change is tattoo body art branding are not allowed to be visible at any time. That's what our standard policy is. We are changing the policy to allow except for on fingers and toes. Tattoos, body art, branding on fingers and toes must not be offensive in nature.

The reason for this is we have at least two police officers that actually have some symbolic wedding band or something dealing with their wedding on their fingers. And so, under the current policy, they would have to wear gloves every time they're at work. That just seem a little overburden to some of the employees, so we will allow them on their fingers only, but they cannot be offensive. When they have something that is obscene on their fingers, we still have the ability to have to keep that covered up.

Councilmember McLeod: So this is one of those situations where we've hiring people, we've police officers and we've kept people in violations. We hired somebody who we knew were in violation to the policy that we had in place. So I'd like us to stay ahead of the game again in this area where we want to do something, okay. Hey, let's back up, let's take a look at this. Let's fix this before we get into it.

That being said, I wonder if we ought to look at the tattoo policy even deeper. It's 2017, there's a lot of ink floating around and now there's people that have tattoos behind their ears and keeps little butterflies on their ankles and lots of different groups, different military groups-

Mayor Wheeler: Do you have a tattoo, Mike?

Councilmember McLeod: - that have changed their things recently to allow even some visible small tattoos. It may just be, let's back up and take a look at this from 2017 and say, from a more holistic perspective, if we have a limited amount of restrictions, not offensive, not gang related, not crime related, those kind of things. Otherwise, I think one of the things it might do is it might help police recruitment. We've got a lot of individuals who would serve on us except they have a tattoo on their forearm. I think we ought to think about this bigger perspective.

Mr. Smith: So anybody can have a tattoo, it's not a prohibition of being hired if you have a tattoo. If they have it on their arm, they either have to cover it up. We have one officer and he wears a very large sweatband like you see the pro basketball players or pro athletes wearing. Or they're wearing a compression sleeve that covers it up.

Our policy just says that it has to be non-visible or covered. So our policy is not to prohibit individuals from having tattoos, they just can't be visible. If we want to look at further, we certainly can. HPD just allowed arm tattoos. I think once you start cracking that door, you're going to get into a lot more difficulty enforcing what is offensive, racially motivated. Whatever you want to say to define them, I think you have to be careful. We can continue to address this and see if the employees would like that.

But really we've not had any complaints on the tattoo policy from the employee to your point on hiring employees that have the tattoo. I believe one of these tattoos was placed after they were hired. Really, in all reality, we didn't look at the fingers. It came out that we had a couple and that's why we are addressing it at this time.

Councilmember McLeod: We're going to be educating, continue to educate staff on policy. There you go.

Mr. Smith: Absolutely. All right, the next one down is just a clarification in keeping everything consistent. It is deleting the sentence, "The only time that it's considered hours worked and is included in calculation of overtime pay is PTO, holiday time, bereavement, jury duty and any other time given to an employee are not considered hours worked for the purpose of overtime." That is just a clarification to where we don't have conflicting policies.

We did have a conflicting policy directly below where it talked about sworn law enforcement. It says, "Plus any pay time off." Law enforcement is considered different in how you calculate their overtime than civilian employees. Civilian employees are on the 40-hour work week, law enforcement is on 80-hour two week period. So we deleted it in the non-exempt civilian employees. We deleted it in the law enforcement and then we added the clarification.

The only time that it's considered hours worked and is included in the calculations of overtime pay is PTO. Holiday time, bereavement, jury duty and any other time given to an employee are not considered hours worked for the purpose of overtime pay calculations. This is just a complete cleanup.

Councilmember McLeod: So if you scheduled off one day, PTO's paid time off. You're being paid your hours. You've taken a vacation day or whatever. How does that compare to other places in terms of - is this a standard everybody does? Date? How does that compare for the PTO -- I mean going to ask you for each one of them, but for the PTO portion, what from policy perspective?

Mr. Smith: For the most municipalities, they will take hours worked being just hours worked. Combining PTO into second vacation. Some cities still have vacations in sick. So if you're sick, they count that as hours worked. But if you're on vacation, they don't. So we still allow people to have PTO as considered hours worked. It's actually a better benefit. The only thing that is not and what has cost us the most issue is holiday pay. Because every single employee in the city gets eight hours of holiday pay whether City Hall is closed or not.

So if a police officer works on a holiday, that police officer gets their normal shift plus eight hours of holiday pay. Whether the holiday falls on their day off or the holiday doesn't apply on their day off, every single employee in the city gets eight hours of holiday pay on that day. And so, the cleanup is really dealing with getting rid of the holiday pay from.

Councilmember McLeod: Yes, that makes sense. That makes sense.

Mr. Smith: That's really the only thing we're trying to cleanup.

Councilmember McLeod: I guess the other question was the jury duty. I'm really concerned about that because there's a situation where if you've got a night shift employee and he's going eight hours a day in a jury, having to come back and work another eight hours a day here. At what point are we going to say, "You're going to jury duty. We're not expecting you to be here"?

Mayor Wheeler: Well, or if he is here, then the way I read this, he doesn't get the overtime pay.

Mr. Smith: That's correct. Yes. It's not that they have to be here. It's just in that situation of a police officer. If they are on night shift and they are on jury duty, the chief will most likely, or the sergeant or lieutenant who's ever making that decision, will not make them serve eight hours of jury duty and then come work a 12-hour shift, but they're not going to get paid overtime for serving on jury duty.

If they serve two days of jury duty on their two days off, they get paid jury duty pay but when they come back to work, it doesn't count towards the hours worked. On their third day on that Saturday, so they're off Monday, Tuesday -- or they're off Tuesday, Wednesday and that's their jury duty day and then they show back up Thursday, Friday, Saturday. When they hit Saturday, they're not getting paid overtime. They're just getting paid their regular time but they don't lose any hours or any pay being on jury duty.

Councilmember Raymaker: I guess I would suggest that we consider that because they're working. They're not on vacation. They're not hanging out with their family. They're doing their civic duty. One of the things you want to do is encourage people to do their civic duty. We have a fairly small staff. I don't think that's going to impact us a lot. If I go look, I'm going to have to put in. If I get selected for jury duty, I don't want to be putting in 60, 70 hours and not actually compensated for that.

The second logic is if they're -- we can use police and use water management people. If their supervisors and you and everybody else are aware that we're looking at overtime, it might be incentivize some scheduling so they're not bumping up against all those extra hours. That's my two thoughts on that. I think jury duty specifically really ought to count for overtime.

Mayor Wheeler: I agree with Mike. If they're a jury duty, that's work so to speak. They're doing their civic duty. They're not, like Mike said, they're not on vacation. They're not necessarily off. I don't want to penalize them for that. I don't want to have them spend X amount of hours of jury duty and then come work a full week at work and that not figure in. That's just my two cents. I don't mind compensating them for that.

Mr. Smith: What you're saying, if they're on jury duty on their day off, are you saying we should compensate them on their day off?

Mayor Wheeler: Yes.

Mr. Smith: They're at jury duty.

Mayor Wheeler: We should figure that into whether or not they go over on overtime hours.

Mr. Smith: Okay. That's going to get very complicated because now somebody serves jury duty and they're off of work on their scheduled days off. You're saying we should pay them eight hours while they're off and let them accumulate overtime at the end of the week if it's at the beginning of the week.

Mayor Wheeler: Yes, because the whole point of having time off is to go have personal time. Go enjoy your personal time whether to be with your family, whether to be personal things that you have to do, decompress from work. They're not getting the opportunity to do that.

Mr. Smith: I'm good with whatever council wants. I just need to know how you want it addressed. I mean, we can certainly put jury duty and define jury duty very carefully and say they will have to submit time in time out of jury duty to get that pay.

Mayor Wheeler: Like Mike said, hopefully, their supervisor then figures that into the schedule and maybe minimizes that amount of overtime based on other coverage. Whether they can do that or not do that, that's a secondary point. I just don't want to penalize the employee who's having to go serve jury duty and tell them that well, that's the same as you having a day off because it's not.

Mr. Smith: I don't think it's penalizing them at all. I think it's just not compensating them for overtime as hours worked. Now, let's make it clear. This is that they're serving on a jury. If a police officer is

testifying in a case, that handled straight like he or she is working. This is just jury duty because there's been some confusion in the past of what is jury duty. If someone's been subpoenaed, they're on the clock. Okay. I can draft something up and present that to you.

Mayor Wheeler: Are Mike and I the only ones that are thinking that way or --?

Councilmember Teague: Yes.

Councilmember Houston: No, I'm not. I'm not sure I'm agreeing with that process. I think it needs to be...I think that before anything is actually done, I think let's do a research to see how often that's even in effect. I don't think it's going to happen a whole lot of time so that should not be a big issue to correct that. I'm only concerned about any impact it may have on the operation police department related to that, but that should be taken into consideration. Instead of just doing it, let's at least do a little research and bring it back to the table.

Councilmember Teague: I'd like to add to that if we can poll some other communities what they do in their policy on jury duty and specifically on police departments.

Mr. Smith: Okay. It's not a problem.

Mr. Smith: So holiday time, bereavement leave, we are okay it not being considered part of time worked. It's only the jury duty that we have concerns about.

Mayor Wheeler: Yes.

Councilmember McLeod: Yes. Explain to me what other given time might be.

Mr. Smith: If the city council -- like your birthday holiday, it's not on a set day. That's time given to an employee regardless of how long they've worked here, everybody gets it equally. That's what time given means. If the council came up and decided to - and this goes to your thing of have the policy be written ahead of schedule - time given is that the council comes up with some other type of time given to an employee, that's why it's written that way.

It's not earned. PTO is earned based off of your years of service and hours that you actually work, payroll periods that you work. All these other are just given to you. You get 10 holidays a year. If you start tomorrow as your first day at the city, the next day is a city holiday and you're given that day off even though you've been here one day. That's what the term time given means.

Councilmember McLeod: All right. Cool.

Mr. Smith: Okay. The next policy change is actually a huge enhancement and this is PTO donation and this is one that I think Mike last year when we adopted this policy asked to increase it. Basically, what it does is it states that an employee may receive up to 80 hours in a calendar year and up to 120 hours under special circumstances, donated PTO from other employees at their pay grade or higher. Then it states a donor may donate an unlimited number of hours in a calendar year not to exceed the donor's PTO balance.

We took out all of the other issues of the maximum amount you can donate. I think, Mike that was some of what you actually asked for when the policy was written, is if somebody is donating time to somebody that's in need, then why should we limit it. This is a net zero cost to the city and in all reality, if you go and you look who donated PTO, 90%, probably 95% of the time, it was higher level employees donating to lower pay scale employees.

There was very little pay scale to pay scale. I can tell you I think probably looking at the department, there was probably six or seven employees that this has affected across the city in one year that have actually had PTO donated to them. I will tell you that almost every case that there has been cross-departmental donations which is great.

All right. The next policy revision will be stopped and readdressed because it's dealing with jury and court duty. We will get that, bring that one back specifically to you at a later date. The next one is time off. Funeral leave is not considered hours worked and does not figure into overtime calculations. That is just a clarification issue on the bereavement or funeral leave.

Next one, accident reporting. First since we added the word "or" that says, "An employee involved in an accident while operating city equipment or vehicle must report the accident or injury to persons and any property damage." Okay? Then it says, "Contact appropriate law enforcement immediately." We added the word "if required." If an employee is using a weed eater and hurts himself, he does not need to call a law enforcement. He needs to call his department head.

Originally, it stated that you should call the appropriate law enforcement. It's only if law enforcement is needed. We don't need to call the police department every time somebody gets hurt. Then the other one -- the other change is under the second paragraph, employees involved in accidents shall be required to submit to a drug screen instead of May and that the May conflicted with the drug testing policy that states any injury or accident you do get drug tested. Regardless, if you cut your hand and you have to go get three stitches, you have to submit to a drug screen. Those are all the changes on the policy. Any other questions?

Councilmember McLeod: Yes, I just thought while we are here, might as well go back and take a look at 2.09. Specifically, I would like to go back and look at..."members of council get reports from and factual information from city officers, specifically directors." I think that's going to be really, really helpful to let us ask questions directly to directors.

I know a couple of years ago we revised that to prohibit any communication. But I'd like to get that put back in there so we can have some discussions and tickle that as we approach budgeting. So we can talk to -- ask questions just they can feel free to talk to us about needs they may have, etc.

Mayor Wheeler: Well, one of the points I was going to bring up is, as mayor, I am technically responsible for the budget. Now, I typically delegate that responsibility to city staff and then they come back to me with the budget and we talk about it and we look at it. But at the end the day, something's come to light here recently with me is, because I was called out on a lot is the mayor is not fulfilling his responsibilities with the budget by law.

Well, I am. I am letting the staff who are the experts at it, really do the heavy lifting and then we discuss that. However having said that, I think that if nothing else removing the clause for the mayor makes a lot of sense because at the end of the day, I'm responsible for the budget. Not to mention as we've talked about earlier, it's fairly often I get something put in front of me that I have to sign. To me, having the ability to talk to other employees, staff members, especially department heads makes a lot of sense just based on those obligations.

Councilmember Teague: Where is that in is --?

Mayor Wheeler: It's not, but it's in the policy.

Councilmember Teague: Okay. But is that not on -- does this need to be another agenda item at a future topic?

Councilmember Frazier: It's not in this portion of it.

Councilmember Teague: It's not in this portion or in this presentation to add any additional or change anything that we are not seeing or we haven't seen.

Mayor Wheeler: We are not voting on it. This is a discussion and possible presentation. We'll vote on it at the next meeting which is why I am bringing it up so that we can bring it back...

Councilmember Teague: I understand. I'm just asking the legalities of whether we've gone around -- if this needs to be --

Councilmember Raymaker: It's not limiting which policy. It just happen to --

Councilmember Raymaker: It's just that there happens to be these ones that were presented. I don't think that that limits it.

Mr. Ferebee: The question is it in the employee policy manual? If it is, we can discuss it tonight because that's the agenda item.

Councilmember Teague: Okay. Thank you for clarifying.

Mr. Smith: Kathie, can you tell me where to find the policy manual on the P-server so we can bring it up?

Mr. Smith: What section did you say, Mike?

Councilmember McLeod: 2.09.

Councilmember McLeod: Yes, it's pretty much the last paragraph there, where it says that basically any communication has to be done through the city administrator.

Councilmember Frazier: What that means is that you have to advise Greg or tell Greg, "Hey, I'm going to go visit with Chief Shaw." That's basically all it means. Am I wrong in that?

Mr. Smith: No, the purpose of that is just so we all understand what the issue is. The example I give is if a council member goes to a department head and I don't know about it, and let's say it's a complaint against an employee. Okay. You go directly to the department head and then another council member comes to me about a complaint about the exact same employee. I have no idea that there is two council members, three council members, four council members that have the same concern.

So this is not designed to limit any interaction between council and department heads. It's only to keep me in the loop so I can make sure that I understand what everybody's concerns are so I can properly administer and manage the city. It is not in any way to eliminate your ability to talk to a department head.

It's very similar that if a line employee wants to come talk to me, I have to notify the supervisor immediately that I have met with somebody, so that they understand what is going on. So it is just promoting open communication. It is not trying to limit interaction between council and/or employees.

Councilmember Raymaker: I think there is a way that we could possibly reword this. Because whenever I run into somebody I might want to start discussing something everybody kind of freezes up as if this is a career limiting move because there is this, so that is my concern.

Mr. Smith: I have no problem modifying it to where employees do not feel like it is a career-ending move because in no way, shape or form -

Councilmember Raymaker: Not ending, limiting.

Mr. Smith: Limiting, ending, however way we want to word it, that's not what the intent is at all.

Councilmember McLeod: I'll tell you one of my examples is over at the Starbucks and this happened a few months after this was modified. I'm having a conversation with an officer just about the Texans. We go back and forth about three times and the officer kind of looks at me and goes, "I'm sorry I can't be seeing talking to you."

That's the kind of stuff that the sense from the employees that this brings down is at least, if not, then we need to clearly communicate that employees should feel free to speak with council members and speak with them freely. So that's a concern is, if that's not the intent to limit communications, then we need to clarify that in communications that employees are allowed to speak with council members.

Mr. Smith: So if council is agreeable to this, I will come up with some language dealing with this as well as the jury duty, bring it back to you in May. If council agrees with it, we can approve those two modifications at the May council meeting and go ahead and approve the ones that are agreeable to council that were presented tonight at the end of this month.

Certainly bring back this 2.09 and look at wording and I will send sample wording out to make sure that it meets with everybody's intent. If you have comments, please let me know and then we will discuss it at the next meeting with the jury duty because we want to get more information from other cities. Is that agreeable to council?

Councilmember Teague: It is. I want ask about the last sentence in that. "However, this shall in no way limit an employee's rights as a citizen to contact a member of the city council during non-working hours." Does that not clarify it enough?

Councilmember McLeod: No, I mean again, here's an officer in uniform afraid to talk to me about the Houston Texans.

Mr. Smith: So this is I think an employee has been given a wrong information.

Councilmember Teague: I was going to just say that because I've had conversations at the park with officers freely, and we're not talking city business. We're just talking normal everyday citizen commentary.

Mr. Smith: The policy dealing with employees and me is there's an open-door policy. I will look at both those policies and maybe we can word those policies to where they are equal, to where people feel that they can communicate. My only concern is if it is a city-related issue or a complaint, if you're asking, and I'll use an example, Jennifer, what the phone balance is, I don't need to know that. That is a factual question.

If you're going into Jennifer and saying, "Hey, I've had a complaint on X, Y, Z employee," and I'm not included, that's where I think I should be included. Simple questions, I'm not worried about. A concern of operational issues, that's where I think I need to be included. That's the simplest way to discuss it.

During the budget workshop, I don't answer questions for any of the department heads. If you have a budgeting question, you can certainly ask the department head. If you want to meet with the department head ahead of time with myself, I'm game for all of those meetings and encourage those meetings.

I will bring back 2.09 with some better clarification as well as the jury duty, and then proceed forward at the end of the month with the other policy revisions as presented. Is that council's desire?

8. Discussion and possible presentation by the involved parties regarding water plant #4 financing.
(2:52:00)

Mayor Wheeler: Okay. Item eight, discussion and possible presentation by the involved parties regarding water plant four, financing.

Mr. Smith: Council, this is just a discussion item. There is no action to be taken. We had some discussion last month about financing the water plant. Ron asked a question about using the general fund. From a legal standpoint, yes, the city council can use general fund for debt service, or to not take out debt service, for any function of the city. Is that the best practice? That's a council decision. I can tell you that, if you look at a lot of different areas, we have a lot of professional consultants.

If we want to go down that road, I would recommend that we get a -- I don't want to use an opinion letter but an information letter from auditors, financial advisers and bond counsel on what the impact of cross-using funds for specific projects. I think it's a great conversation to have. We were going down a path of the previous council giving direction and if this council wants to change that direction there is no problem with that direction being changed.

Councilmember Raymaker: Yes. I'd spoken with the auditor and he said, "The worst thing that will happen is we'll just put a note on there. It won't impact your financial rating or anything of that nature so you do have the right to do that." It's not going to ding us big time. auditor.

Councilmember McLeod: I'm in favor of you bringing in some -- whatever the -- various consultants. Whatever you're -- That the people who are the experts in the field to look at this. I think given our excess income and the fact that the bid came in much, much lower than we thought it would, that this is certainly an idea that we need to explore. We need to go down that road and just take a look and see what the pros and cons are.

Mr. Smith: Okay. The information I'll request, what I'll call an opinion letter, is from the auditor, the financial adviser, which is Hill Top Securities, as well as our bond counsel, which is Bracewell. Is there anybody else council would like to hear an opinion letter using different funds in different areas and what the impact could be? Okay. I'll put that in the May first meeting. Again, for complete clarification and transparency for all the residents that are here, the city council passed a resolution last month to allow us to pay ourselves back, if we choose to go out for debt service. This project with the water plant is not getting off time schedule based off of the discussions of how we are going to pay for it.

9. Discussion and possible presentation by the involved parties regarding ordinances regulating the following: (2:55:20)

- a) Trash

b) Farm Animals

Mayor Wheeler: Moving onto item nine, discussion and possible presentation by the involved parties regarding ordinances relating to the following. I'll start with A, which is trash.

Mr. Smith: Council, as you recall, last month council asked me to draft up a potential ordinance dealing with trash. I think this was the general consensus that I heard from council for a discussion item. This is not getting voted on tonight. This is not an ordinance that is being passed tonight. This is just a discussion item. Basically what it says, and it can all be changed, is household trash can be placed curbside 7:00 AM the morning prior to the regular, scheduled trash contracted pick-up day.

Section two, bulky waste can be placed curbside at 7:00 AM in the morning prior to the regular scheduled contract pick-up day. Yard waste that is bagged and limbs that are trimmed to three feet in length and bundled may be placed curbside Saturday at 7:00 AM the weekend prior to the regular scheduled trash contracted day.

What it does is it states, if it's passed as it's written, that the trash can go out Monday at seven o'clock, our pick-up day is Tuesday. If our pick-up day ever in the future changes, this ordinance doesn't need to be changed. It goes back to what we are trying to do, is write an ordinance that don't have to be adjusted all the time. That states, the trash pick-up day would become Thursday, then they can put it out Wednesday.

It's basically, the trash can go out almost 48 hours before the scheduled pick-up date. Then yard waste can be put out the weekend before because typically yard work is done on the weekend by our residents, not always but typically.

Councilmember Frazier: I have a suggestion that maybe having that as the morning before because - - Some people go out of town. Like right now, we pick up on Tuesday. If somebody goes out of town early Monday morning, it may be, say 3:00 AM. If we just added it as the morning before, that's from midnight on. If they go to work early or whatever then that would cover that portion of it anyhow. If it's kept on Tuesday, it would definitely do it.

Mayor Wheeler: To your point, when I read that, the first thing that popped in my head was, there's a lot of mornings that I leave -- I may have a 5:30 flight Monday morning, so I may have to leave my house at -- Unfortunately, if I have a 5:30 flight I usually don't leave until about 5:00 but that's a whole other issue.

Point being is, then that leaves my wife the responsibility of getting the trash out on Monday morning. If it's something big and bulky and heavy, she can't carry it that may be a problem. I like your suggestion. I don't know that when I'm all suited up at four o'clock in the morning I want to be dragging trash out to the curb, but I like the suggestion better than what it is. I was even thinking about backing it up to Sunday morning.

Councilmember McLeod: Sunday morning. Yes, so that's what I was thinking. Sunday morning.

Mayor Wheeler: Give people Sunday to put stuff out in case they leave during the week. Just my thought because I'm putting myself in the scenario.

Councilmember McLeod: While everybody chews on that. Another question...On the, "trees and limbs trimmed to three feet," I thought Republic was four feet?

Mr. Smith: I thought it was three, that's why it's written three. It will mirror the trash contract.

Councilmember McLeod: Okay, it is four. I thought it was. I was going to follow that up with, maybe this is another situation where we generalize this to say in compliance with --

Mr. Smith: The current trash franchise agreement.

Councilmember McLeod: Yes. Maybe we can put that somewhere. I don't know if that makes it better or worse for people.

Mr. Smith: Well, it makes it better because, I will tell you, we do have -- I can't go down there. It does make it better.

Councilmember McLeod: There you go. That's all I need to know. Just to say -- with yard wasting. I like yard waste being Saturday morning and maybe everything else Sunday morning. That's just my thought, see how that goes. Then the question when do they want the empty trashes back?

Councilmember Raymaker: Yes. I didn't see anything about putting those away or out of sight.

Councilmember McLeod: Yes, that's something Ron brought up.

Mr. Smith: It isn't there? I didn't know there was consensus, from the council that we wanted to say what happened after the trash pickup. I can certainly add another section that states trash receptacles have to be brought back.

Councilmember McLeod: No, we're okay.

Mayor Wheeler: John doesn't like ordinances.

Councilmember Houston: I don't like ordinances. But, I do agree that I think pushing it back to two days before however if our trash pickup winds up going to Wednesday or Thursday, we're going to have another issue to deal with. At this point, if we can maintain the Tuesday thing, I think it's probably a good idea to give people an opportunity on Sunday then to get things out for the work week.

Councilmember Frazier: That helps too because I know we all received an email from one of the residents that said that they wanted an early one, and then we had Mr. Mack this evening said something that he wanted something earlier too. I think we got to listen to that.

Councilmember Teague: I'd like to just make a common sense request, that we decide on one time for all of it, rather than bulky waste one day, green waste another day, and household waste another day. That is just over cumbersome for people to remember what days they're supposed to put their trash out. Can we just state 48 hours in advance? Or of the date of --? Yes, I'm just saying for clarity, instead of picking and choosing, and everybody trying to remember when their trash is supposed to be out there.

Councilmember Frazier: Good point.

Councilmember Houston: Except for the yard waste thing.

Mayor Wheeler: No. I think John's got a valid point. So now, we have to decide whether we want it to be Saturday morning or Sunday morning. If somebody does the yard work on Saturday, then ... Sorry, I didn't have my microphone on.

Councilmember Raymaker: Is there any way we can change the pickup day to Monday, and then we wouldn't have all the stuff out there so long to begin with.

Mr. Smith: I can answer that question, yes and no. The current contract when it went out for RFQ, kept the same pickup day for continuity for the residents and that was Tuesday, Friday. The council at that time opted to go to one day a week so we eliminated the Friday. We can certainly request for a public to look at a Monday pickup, that's why I say yes and no. The contract says Tuesday.

Can we make that request to see if they'll make it Monday? Yes, we can make that request, and we actually have a meeting with Republic next Tuesday morning I believe. We can address that if council would like us to.

Councilmember Teague: The negative or the con to that is Monday may be nice to not see the trash as long, but there are more Monday holidays in the calendar year than Tuesday holidays, and the trash pickup would not happen for an additional week on Monday holidays.

Mr. Smith: Well, the contract reads that if the holiday falls on Monday, they pick up on Tuesday. Now, we have to also remember, the trash holidays, and Joseph help me with this, there is only three I believe New Year's Day, Christmas day, Thanksgiving Day, and maybe 4th of July. There is only three or four holidays that the trash company does not pick up. Does that ring a bell to you, Joseph?

Mr. Peart: Yes, as Michael said. Yes, that sounds about right. I can pull up the contract real quick to verify.

Mr. Smith: Okay. Jean's point is right. There are very few holidays that fall on Tuesday compared to Monday, but I can certainly check with them to see what their liking is. So at this point in time, what I would recommend is that let me re-draft this with some of these changes, bring it back in May and I will have the answer to Ron's question on can we switch to Monday and look at it at that point in time.

Councilmember Raymaker: We're trying to solve the solutions of when can people do it, okay, Saturday is a good day for putting out for a lot of people, but the same time not having it out and exposed so long.

Mr. Smith: Yes. It's a balancing act. Does council agree with tabling this till not bringing this back for any approval, but discussing it again in the May workshop with the additions that we've discussed?

Mayor Wheeler: Yes.

Councilmember McLeod: Yes.

Councilmember Frazier: Yes.

Mr. Smith: Okay.

Mayor Wheeler: We'll move on to B and we'll talk about farm animals.

Mr. Smith: Again for clarification, the council asked us to bring sample ordinances from other municipalities. That's what is in here. None of this has been drafted for the city's adoption. I would actually recommend that this be tabled until after the state legislature because the state legislature is now taking up a bill that is going to limit chickens at the state level. I got notification of that bill. My recommendation, till we figure out what the state legislature is going to do about chickens, we don't get involved in this issue.

Councilmember Raymaker: It's not going to limit the type of dog leash you can have?

Mr. Smith: No these were just samples, absolutely not.

Mayor Wheeler: That's where I wanted to make sure we clarified that.

Mr. Smith: Yes, absolutely not. These are cut and paste sample ordinances dealing with the farm animals from other municipalities. I will not recommend to this council, regulating the type of leash we use for our dogs.

Councilmember Raymaker: Scout thanks you.

Mr. Smith: Probably every dog in this city, it was never the intent. This was just cut and paste from another city to start the discussion because this one was so wide. Staff had no idea how council wanted to go down the road.

Councilmember Frazier: I mean I won't be here by then, so when this comes back, I would like you guys to consider. I know there is quite a few dog owners that their dogs are obedience trained. I used to have several myself. I believe it used to be that you didn't have to have a leash on there if they were under your control, so you may take that under consideration.

Councilmember McLeod: Yes. It still is in the city. It's not in the park, that's the difference. If it's in the park, it's on the leash. In the city, it's under control.

Councilmember Frazier: I just want to make sure that that didn't get changed.

Councilmember McLeod: Yes, I got you.

Mayor Wheeler: I'm telling you right now, I have a resident --

Mr. Smith: Sorry. I was about to say the same thing.

Mayor Wheeler: Right now, I've got a resident who very tactfully and politely has been emailing me back and forth based on his dog being attacked by a dog that was not on a leash, and not just his dog, it sounds funny when I say this, but his dog walker. That's a problem. I mean you got a pit bull that ended up attacking a dog and a person, because they were not on a leash. That's something we do need to look at.

Mr. Smith: To clarification to the mayor's emails back and forth. It was a dog, the dog owner and where the dog owner lives is not inside the city limits. So their dog lives in a neighboring community and it's not Patina Pines, but I will say Patina Pines subdivision right on Grover's Mill that the dog and the dog owner were walking. They came into our city limits and that's where the dog attacked our resident's dog.

With our close proximity, it might be a situation that we need to look at something a little bit different because we do have the very close shared pathways that you don't know and this was unintentional. You don't know when you're in the Woodlands or when you're in Shenandoah. We connected all of our pathways together and work together to create this pathway system that we have so that's something else, the marriage point of, I think, needs to be taken in consideration is when they enter the city limits. Not disagreeing with that you're saying, Daryl, because it -

Councilmember Frazier: Totally, I understand.

Mr. Smith: I agree. You can have obedient dog that doesn't need to be on a leash that will do better than somebody that has one on a leash.

Councilmember McLeod: Maybe we think about when on pathways or something, I mean you can toss that out there, but because you were being in close proximity, is supposed to be on a street. Everybody can cross-walk on the other side of each other. We can keep talking about this in May.

Mayor Wheeler: I mean again I unfortunately personalize it and I'm just thinking of my four-year-old kid's out in the street playing. I'm usually out there with him. I don't let my kid play on the street by himself, but if somebody has got their dog out, not on a leash, and they may have the best intentions. They may think their dog is a great dog, and as soon as that dog mauls my four-year-old kid, I'm going to have a problem, a big problem, you know? Yeah, anybody would.

Councilmember Frazier: As you should, absolutely.

Mayor Wheeler: Yes, this is something that we got to talk about.

13. Discussion, presentation by the involved parties, and possible action regarding awarding the emergency bid for the rebuild of the clarifier drive at the wastewater treatment plant. (3:09:54)

Mayor Wheeler: Okay. Item 13, because we already did 10, 11 and 12, so we'll skip down to 13, which is discussion, presentation by the involved. We put a comments instead of an end, you all messed me up there. Discussion and presentation by the involved parties and the possible action regarding awarding the emergency bids for the rebuild the clarifier drive at the wastewater treatment plan.

Mr. Smith: For clarification for everybody in the audience that looked at this agenda item or looked at our agenda on Friday, this agenda item was added today due to its emergency nature. That is allowed by the Open Meetings Act. There is provision. The City Attorney approved this item being placed on there as an emergency.

The emergency is that our large 70-foot diameter clarifier, basically motor burned up Friday. We are down to a 40-foot back up, 40-foot diameter backup clarifier. We have to get our clarifier back up online. Joseph did a great job getting as many prices as we could. The recommendation from staff is to issue price of \$51,353.94 for a rebuild drive to CSA Technical. It is based off a price as well as repair time and warranty.

The repair time is one week and the warranty is one year. One week is the -- there's only one other person that gave us one week. There were several companies that gave us a one year warranty. That is our recommendation to go with the low price of \$51,353.94 with CSA Technical.

Councilmember McLeod: I want to make a motion that we approve the purchase of the rebuilt clarifier from CSA Technical.

Councilmember Houston: Second.

Mr. Smith: Can I make a point of clarification? We're not replacing the entire clarifier. We're replacing the motor.

Councilmember McLeod: The clarifier drive.

Mayor Wheeler: I had a couple questions there Johnny Quick Draw. Now we have discussion. It says to consider a rebuild over a purchase of a new unit. Where all of the rest of these new units and this was the only one that was a rebuild, the 51,000?

Mr. Smith: No, Alvin Contracting gave us a rebuild of 56,799. Electrical Fields [inaudible 03:12:34] gave us a rebuild of 55,250.

Councilmember McLeod: Okay. I see it's split up. Now, I've got it.

Mr. Smith: Neil Technical gave us a rebuild of 36,000. The reason why we are not going with 36,000 is it's nine to 10 weeks.

Mayor Wheeler: My second question behind that is, is it possible for us to purchase a warranty longer than one year? Would it make sense?

Councilmember Houston: I went through the bids, and even a new drive still has got a one year warranty.

Mayor Wheeler: Yes. They're all one year max.

Mr. Smith: We can check with the contractor and find out what the extended warranty would be. If you want to authorize us up to a dollar amount, we can take care of that. After the fact if you want to authorize -- whatever you want to authorize to, if you think 10% no more than 5,000 is worth it, if you think no more than 2,000 is worth it, whatever council wants to do, we will --

Mayor Wheeler: I just have in a rebuild that throws up a red-flag a little bit for me. I don't know much about water clarifiers. I just know mechanical parts in general. I would feel a little bit safer if we had maybe a little bit longer warranty period, even if we were to purchase it.

Mr. Peart: I can pass on some information talking with all of these contractors that may be helpful. Typically, what they do with the rebuild, just so you have an idea what they do, is they take the housing apart and they basically replace all of the inner-workings. That's where you get some of the cost savings. You don't have to pay for that new casing.

In some ways, you're getting a new drive, you're just keeping the existing casing. What they say is, if we're going to have any issues with the rebuild, it's going to happen in that first year. You're going to know something has gone wrong. A lot of them, they can't say how long it's going to last, but a lot of them say this is going to last as long as an original purchase.

Councilmember Raymaker: What failed in the motor now, was it the brushes?

Mr. Peart: The ball bearings and the ball track, that's what helps the clarifier arm rotate. Just over time -- their thought is they don't know exactly because they haven't opened it up. Their thought is that over time, those ball bearings have just worn down and worn down and now it's allowing enough space for them to start bunching.

Councilmember Raymaker: How old is it?

Mr. Peart: 30 plus years.

Councilmember Raymaker: Okay. No problem.

Mayor Wheeler: We got our money's worth out of it.

Councilmember Raymaker: Couldn't squeeze five more years out of it.

Mayor Wheeler: We had a motion and a second. Do we have any more discussion? No? Okay. All in favor?

Council Members: Aye.

Mayor Wheeler: Opposed? Motion carries five-0. First time I've got to say that. Fourteen, presentation of committee updates. As a side note, I still wouldn't mind finding out how much the extended warranty is just for -- you know.

Mr. Smith: We'll still find out.

Mayor Wheeler: Yes. Might as well look into it. If it's reasonable, I would act on.

Mr. Smith: Committee updates. The Charter Committee met -- did not meet in March, but did meet this month. They are working through a lot of the issues. We had a very slow meeting in February, didn't really make any recommendations. They meeting this month, they went through and I think they got through five or six recommendations.

That committee is moving along through the process. I think it's exactly how we anticipate it. We will spend 90% of our time on 10% of the issues and 10% of the time on 90% of the issues. I think it's going as expected. Lot of good comments, lot of good discussions, lot of good different ideas, and I think it is going well.

The Special Events Center Committee did not meet last month due to some scheduling conflicts. They are scheduled to meet this month. So we really do not have a update from that. Park Committee, the last update was the last meeting that we had. We will still be trying to work on some things to get the Park Committee to clear up a couple more minor items in the future. I think those are the only three committees that we have currently working.

Councilmember Raymaker: Whatever happened to the Fiber to the Home? 3.20

Mr. Smith: Thank you. I missed that one. Fiber to Home Committee, I'm sorry, a big one. We have the recommendations back from the engineer firm on what the contract needs to look like. The committee reviewed those, made modifications. That contract has been sent to the contractor to give us his comments. As soon as we get those comments back, we will sit down and see if there's not an agreement that can be reached.

Councilmember Raymaker: Did we have an option in there --? I know one of the requirements that Google had when they were actually were in the fiber business before they got out, was that in the pilot cities that the fiber was strung aerially. Seeing how we already have, and are going to have aerial lines for a while, is there an option to run that fiber aerially? Especially in the valley where a lot of the cross will be.

Mr. Smith: I don't think that has been discussed. I don't know if there is a difference between aerial hung fiber and ground fiber except -- I don't know. We'll have to ask them.

Councilmember Raymaker: I don't think if Entergy should have a problem with having to put things underground, right? It was a lot of work. If you could do it, we already have the lines there to seem like-- if it's much more cost efficient, we at least need to look at that.

Councilmember Houston: I don't think that was an issue that Tachus even wanted to address. They've got an issue with that because then at that point if there's a time that comes, that underground is revisited at some point, then we have another issue for another devices that's on the pole and you

have a problem with the pole activity. I don't think that that's going to be a good option, but there is no reason we can't at least ask that question to see what their opinion is.

Councilmember Raymaker: Yes, because by the time a lot of that happens, we will all be on 5G wireless running 10 times faster than the fiber.

Councilmember McLeod: Yes, you can certainly ask. I know there are some -- you've got to be a certain kind of company in order to be able to mount things onto those poles. Entergy has some of them and AT&T, or whoever the local group is, owns the other ones. You've got to be a certain kind of company in order to be allowed on those poles. Whereas, what we're talking about putting it in the ground is going to be owned by the city, controlled by the city on 100%. The city would take care of that from that perspective, so we can ask them.

Mr. Smith: I think we'll ask and report back to you once we get that.

Mayor Wheeler: Good question.

Mr. Smith: Yes. Thank you for bringing up fiber to home. I apologize, we haven't met except for a couple of months ago when we got the documents. I apologize for skipping over that one.

Councilmember Raymaker: It's been absent for a while.

Mr. Smith: Contract negotiations are never fast.

15. CITIZENS FORUM (3:20:17)

Citizens are invited to speak for three (3) minutes on matters relating to city government that relate to agenda or non-agenda items. Speakers are asked to stand up and approach the podium to address Council and give their name and address before sharing their comments.

Mayor Wheeler: Okay. We'll move into item 15, which is our second citizen's forum. I'm going to just remind everybody that the citizens are invited to speak for three minutes, and we won't put the timer back up, but we'll let you know when you start getting close to three minutes. On matters relating to city government, that relate to agenda or non-agenda items.

I would ask you to still address the podium and also give your name and address. The first person up is Barbara Philips, if she's still here. Ms. Philips? She didn't make it. Ms. Houston, she's still here. No, didn't make it either. You got left. You're walking home. Ms. Hepburn?

Julie Hepburn: She's still here.

Mayor Wheeler: She's still here.

Julie Hepburn: Hey guys, Julie Hepburn. 28903, Enchanted Drive, Shenandoah, Texas. I've been here since 1972. You all can figure out the math. I just want to say, it is very upsetting to see all the trash on social media about our city. It's very upsetting because I feel like even though they did not feel like they needed to stay, there were quite a few people here tonight on a witch hunt.

Our City Administrator, whether you want to call him City Administrator, or if you want to call him Greg Smith, he has done a fabulous job. You all can do records request and dig up all the information just like I've done, and we were in trouble. Greg came into our city, he was able to turn us around, and he's done nothing what so ever.

As far as even Ron Raymaker saying that, "You were given something and you had no time to read it. You came in and the email hit your box at 9:00 AM but you didn't read it until you got into the meeting." But yet tonight, you've been on your phone reading emails or texts during this whole meeting. I find that upsetting. But I want to let you know that when it comes to a severance package, I work for a big corporation and half of our employees were given the RIF with a one-year severance pay, their bonuses, and just like our old police chief, our old police chief, he was given a package.

I do not understand why all of a sudden, we are focused on one city employee when he said nothing wrong. He's put this city first in everything he's done. Thank you.

Mayor Wheeler: Thank you, Ms. Hepburn.

16. City Administrator comments (3:23:06)

Mayor Wheeler: We'll move on to item 16 which is city administrator comments.

Mr. Smith: At this point, I might have none.

17. Council's Inquiry (3:23:16)

Mayor Wheeler: No, I'm just kidding. Item 17, city councils or council inquiry, rather. Ron?

Councilmember Raymaker: No, I'd like to get to executive section sometime soon.

Mayor Wheeler: Nothing? Okay. Jean?

Councilmember Teague: First, I'd like to thank all the residents that came out tonight and took their time out of their evening and either chose to stay and listen and/or spoke tonight. I'd also like to take a moment to thank staff for putting on the town hall meeting that took place last week. We had a wonderful turnout and a lot of great information.

Third, I want to ask or thank the Civic Club for putting on the Easter egg hunt and thank the Public Works employees that were there and worked very hard to help us get set up as Civic Club. It's run by resident volunteers and the input and their impact on this community is something to be commended.

Third, I'd like us to consider looking into a video option of city council meetings. Randy Smith and Nancy Smith videotaped through Facebook live our town hall meeting and posted it to social media. At last count, it had 400 views. I think it is a very positive thing to do. I know that we don't have the technology at this point but I would like to ask that we look into adding that technology at some point in the very near future. I think it's a great asset and we need to try to utilize it. That's all I have.

Mayor Wheeler: Thank you, Jean.

Mr. Smith: Can I ask a clarification question?

Mayor Wheeler: Yes.

Mr. Smith: Do you want it to be a live feed or something that we can post after the meeting?

Councilmember Teague: A live feed is fine. I think it would be helpful for people. What I'm hearing is Wednesday night is a difficult time for people to come to meetings. Even though they want to come, they have church obligations. A live feed that can be recorded or can we have both or no?

Mr. Smith: Yes.

Councilmember Teague: Or can we look at both options to see what --

Mr. Smith: Yes, we can. The reason I asked this question is there is a service that are a link on your website that you pay a fee to. You upload everything, you buy the equipment, and they do all the hosting and you can watch it. A great example if you want to look one is the Witness Township. They actually used -- We've had contact with before, so I will get both options for you. That's why I was asking that clarification.

Councilmember Teague: If I'm not mistaken, the township actually takes their items in sections, videos are sectioned off so if somebody just wanted to see a particular item, they would just click on that item.

Mr. Smith: Yes, ma'am. That's why I was asking the clarification question because if we want that, I need to get that service versus just live streaming it on the website to where people would have to watch, so far tonight, three-and-a-half-hour meeting to get to this agenda item.

Councilmember Teague: Thank you.

Mayor Wheeler: Keep pouring salt on that wound. Mike?

Councilmember McLeod: Yes, I want to say a special thank you to the Civic Club for the Easter egg hunt, and not just this year, but all the years my girls experienced. This would be our 10th year in Shenandoah, so the 10th and final year for them to actually do the hunt. Maybe next year, we'll get them out there, and volunteer in some aspects in that way.

Particularly my oldest one's interested in doing that. But I thank Civic Club not just for this year, it was fantastic, but for all the years in Easter egg hunting and all the things that makes this community great. The Civic Club is definitely been a big part of that. I also want to thank staff. I think the town hall was really well received. I think we had a nice turnout. We're getting some information out to the residents which of course is so important. It's getting communication in. We're getting better and better about communicating with our residents, so these town halls really help with that. Thank you guys.

Mayor Wheeler: John? You pass? Darrell?

Darrell: I'm just going to echo what Mike and Jean said on the Easter. Chief, it was very good to see all your officers out there just mingling with all the crowd and everything too. It was awesome.

Chief Shaw: I told them to put the eggs back.

Darrell: I do want to thank all the residents that showed up tonight and gave your opinions on things. We don't always agree on things. I've always tried to do the best at my seven and a half, almost eight years, decisions for this city. Tonight definitely was not one of the best meetings I've ever been at. I do not appreciate some of the comments that were made, anyhow. That's all I have to say.

Mayor Wheeler: Well, I'll finish it up with -- I hate to ever single out one staff member because we have an incredible staff. Everybody's good, everybody's great. I mean literally, I love working with our entire staff. I'm going to do it because I think Kathie Reyer needs the recognition.

For those who don't know my schedule, I work out a lot of mornings at the gym, typically five o'clock in the morning, sometimes six. I usually finish up somewhere before seven o'clock, and I'm leaving a lot of times because on my way home from work, I'll stop in and check my desk at 5:30, 6:00 in the afternoon. I always see Kathie's car here and you do a great job. You always take care of us.

Like I've said, we have a great staff. I hate to single one person out but I know you've been getting overworked recently with all the open-record requests and I appreciate the fact that you put in as much effort as you do and has never said a peep, not a single word. And is probably embarrassed right now that I'm calling her out.

Again, I hate to call out one staff member because we have a great staff in general, but I feel like she deserves it. All of you are great, everybody, everybody. I mean that though, I really do. I really do.

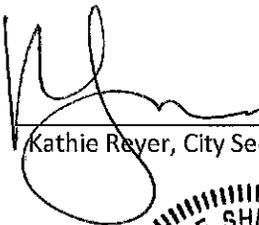
Executive Session – According to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code as follows:

- i) Government Code §551.071. Consultation with Attorney; Attorney/Client Privilege;
- ii) Government Code §551.087. Deliberation Regarding Economic Development Negotiations
- a) Consideration and if determined appropriate, take action resulting from the item(s) listed under Executive Session.

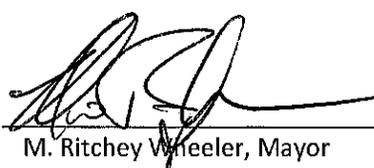
Mayor Wheeler: Okay, and so with that, we're going to move into executive session. According to Texas Open Meetings Act Chapter 551 of the Texas Government Code as follows, we are going to have consultations with attorney attorney-client privilege and deliberation regarding economic development negotiations consideration and if determined appropriate, take action resulting from the items listed under executive session. We will adjourn for executive session at 9:33.

Council reconvened in the public meeting at 10:13pm Mayor Wheeler stated for the record that no action was taken in executive session.

There being no further business, Mayor Wheeler adjourned the meeting at 10:13pm.

SUBMITTED BY: 
Kathie Reyer, City Secretary

DATE APPROVED: June 28, 2017


M. Ritchey Wheeler, Mayor

