



**MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, AUGUST 19, 2021**

The regular meeting of the Benbrook City Council was held on August 19, 2021 at 7:30 p.m. in the Council Chambers with the following Council members present:

Jerry Dittrich, Mayor
Renee Franklin
Larry Marshall
Dustin Phillips
Alfredo Valverde
Laura Mackey
Jason Ward

Also Present:

Andy Wayman, City Manager
Joanna King, City Secretary
Jared Devries, Management Analyst
Rick Overgaard, Finance Director
Bennett Howell, Public Service Director
David Babcock, Police Chief

Others:

Vincent Hancock, Olympic Gold Medal Winner
Josh Harville
Phyllis Harkins
Keith Tiner
Michael Barber
And 1 other citizen

I. CALL TO ORDER

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

II. INVOCATION/PLEDGE OF ALEGIANCE

Invocation was given by Councilmember Jason Ward

The Pledge of Allegiance was recited.

III. CITIZEN COMMENTS ON ANY AGENDA ITEM

None

IV. MINUTES

1. Approve minutes of the regular meeting held August 5, 2021

Motion by Dr. Marshall, seconded by Ms. Mackey to approve the minutes of the regular meeting held August 5, 2021.

Vote on the Motion

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

V. PROCLAMATION/AWARDS/RECOGNITION

1. Proclamation – Vincent Hancock – 2020 Tokyo Olympic Gold Medal winner in Men’s Skeet Event

Mayor Dittrich presented a Proclamation expressing congratulations to Benbrook resident Vincent Hancock, who clinched a gold medal in the men’s skeet event of the 2020 Tokyo Olympic games. Vincent has previously won gold medals in the event of the 2008 and 2012 Olympic games. He is the only skeet shooter in the history of the Olympic event to win multiple gold medals.

Mayor Dittrich proclaimed August 19, 2021 to forever known as “Vincent Hancock Day” in the City of Benbrook, Texas.

VI. REPORTS FROM CITY MANAGER

A. GENERAL

G-2527 Accept Finance Report for period ending July 31, 2021

Rick Overgaard gave the following report: General Fund revenues for the month of July were \$739,353. Major revenues collected for the month include Property taxes of \$130,225, Franchise taxes of \$20,317, Permits of \$26,409, Fines and Forfeitures of \$38,584, Other Agency of \$79,499, and Charges for Services of \$112,651. Sales tax collected and recognized as revenue in July was \$323,619. Fiscal year to date sales tax is \$2,808,176, a decrease of 0.29% over last year at this time. General Fund revenues collected through the end of July were \$20,607,253 and 96.9% of the budget.

General Fund expenditures for the month of July were \$1,570,678. Fiscal year to date expenditures were \$15,937,744 and 75.0% of the adopted budget.

Total General Fund revenues of \$20,607,253 were more than General Fund expenditures of \$15,937,744 by \$4,669,509.

Debt Service revenues for the month of July totaled \$4,547 and were all from property tax. July expenditures were \$32,809 for debt service payments due August 1, 2021. The next debt service payments are due February 1, 2022.

EDC revenues through July 31, 2021, were \$1,440,636 and 92.9% of budget. EDC expenditures through the end of July were \$830,365 and 39.9% of budget. Total revenues exceeded total expenditures by \$610,271.

Total revenues received through July 31, 2021, were \$2,966,363 from stormwater utility fees, mineral lease revenue, TIF income, and interest earnings. Total expenditures for the Capital Projects Fund were \$2,534,540 through the end of July. July expenditures included Vista Way and the Clearfork Emergency Access Bridge. Total revenues exceeded total expenditures by \$431,823. Sufficient funds are available in the current fund balances of the Capital Projects Fund and are earmarked for the City's capital projects. This fund operates on a project basis rather than a specific fiscal year.

On July 31, 2021, the City had \$22,664,096 invested at varying interest rates; the EDC had \$5,319,925 available.

Motion by Ms. Franklin, seconded by Mr. Phillips to accept the finance report for the period ending July 31, 2021.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carries unanimously.

G-2528 Adopt Resolution approving the negotiated settlement between the Atmos Cities Steering Committee and the Atmos Energy Corp. Mid-Tex Division regarding the 2021 Rate Mechanism filing

Rick Overgaard gave the following report: The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2021, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company

claimed that its cost-of-service in a test year ending December 31, 2020, entitled it to additional system-wide revenues of \$43.4 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to \$40.5 million, \$29.3 million of which would be applicable to ACSC members. ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be \$22.34 million instead of the claimed \$40.5 million. The amount of the \$22.34 million deficiency applicable to ACSC members would be \$16.8 million.

After the Company reviewed ACSC's consultants' report, ACSC's Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$22.78 million from ACSC Cities, but with a two-month delay in the Effective Date until December 1, 2021. This should save ACSC cities approximately \$3.8 million.

The Executive Committee recommends a settlement at \$22.78 million. The Effective Date for new rates is December 1, 2021. ACSC members should take action approving the Resolution before October 1, 2021.

Motion by Mr. Valverde, seconded by Dr. Marshall to adopt Resolution No. 2021-08 approving the negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the 2021 Rate Review Mechanism filing.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carries unanimously.

Resolution No. 2021-08 being "A RESOLUTION of the city council of the City of BENBROOK, Texas, approving a NEGOTIATED settlement between the Atmos Cities Steering Committee ("ACSC") and ATMOS ENERGY CORP., Mid-Tex DIVISION regarding the company's 2021 rate review mechanism filing; declaring EXISTING rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the NEGOTIATED SETTLEMENT; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; REQUIRING THE COMPANY TO REIMBURSE ACSC's REASONABLE RATEMAKING EXPENSES; determining that this RESOLUTION was passed in accordance with the REQUIREMENTS of the Texas open meetings act; ADOPTING A SAVINGS CLAUSE; declaring an effective date; and REQUIRING Delivery OF THIS RESOLUTION TO the company and the ACSC's legal counsel."

G-2529 Conduct 1st Public Hearing to consider adoption of an ordinance continuing curfew for minors

David Babcock gave the following report: In July 1994, the City of Benbrook enacted a curfew ordinance to restrict the hours an individual under the age of seventeen can be in a public place. The restricted hours are from 11:00 pm on any Sunday, Monday, Tuesday, Wednesday, or Thursday until 6:00 am of the following day and 12:01 am until 6:00 am on any Saturday or Sunday. State Law requires a review of municipal curfew ordinances every three years to determine if the ordinance should be abolished, continued, or modified. State Law further requires a review of the ordinance's effects on the community and on problems the ordinance was intended to remedy. The Local Government Code stipulates that the City Council shall conduct public hearings on the need to continue the ordinance.

Consideration of the curfew ordinance is two phased and includes (1) the August 19, 2021 public hearing and (2) an additional public hearing followed by formal City Council consideration at the September 02, 2021 meeting. City Council last reviewed the ordinance in September 2018.

The Benbrook Police Department believes that the curfew ordinance has assisted the department in late night crime prevention.

Benbrook police officers have issued the following citations for curfew violations in the past three years:

2019	74
2020	69
2021	48

During the same period of time, minors have been arrested for committing the following number of crimes during the hours of curfew:

2019	16
2020	12
2021	3

Bedford, Burleson, Crowley, Euless, Everman, Forest Hill, Fort Worth, Hurst, Kennedale, North Richland Hills, Saginaw, Southlake, Watauga, and White Settlement have enacted curfew ordinances. The Tarrant County Cities are either in close proximity to or are similar in size to the City of Benbrook.

Grapevine, Keller, and Mansfield are also in close proximity or similar in size to the City of Benbrook. These cities have not enacted a curfew ordinance.

Mayor Dittrich opened the public hearing at 7:55 p.m.

No one spoke to the item.

Mayor Dittrich closed the public hearing at 7:55 p.m.

G-2530 Approve Interlocal Agreement with Benbrook Water Authority for a sewer line relocation project and acquisition of 0.45 acres of Right-of-Way and Slope Easement located near the corner of U.S. 377 (Benbrook Blvd.) and old Benbrook Road

Bennett Howell gave the following report: In 2019, City Council approved the extension of Vista Way (Aledo Road) to Benbrook Boulevard north of I-20 utilizing Tax Increment Finance (TIF) District and Benbrook Economic Development Corporation (BEDC) funds. The project will provide another north/south connection under I-20/I-820 and includes the two-way conversion of the existing I-20 Service Road and the realignment/signalization of the Vista Way/Old Benbrook Road intersection at Benbrook Boulevard.

The proposed Interlocal Agreement (ILA) between the City of Benbrook (City) and Benbrook Water Authority (BWA) grants the City a right-of-way/slope easement and authority to relocate an existing sanitary sewer line for the Vista Way extension.

- **Right-of-Way Acquisition/Slope Easement** – The ILA provides that BWA will grant to the City a 0.31-acres of right-of-way and 0.14-acres of slope easement across BWA's property legally described as Lot 1, Block 1, Sessums Place Addition, all located on the east side of Benbrook Boulevard and north of Old Benbrook Road. Based on separate property appraisals commissioned by the City and BWA that valued the property at \$65,000 and \$74,579, respectively, staff recommends that the City, via the BEDC, pay BWA \$70,000 for the right-of-way and slope easement. The BEDC will act on the request during their regular meeting on August 16, 2021.
- **Sanitary Sewer Line Relocation** – To acquire the necessary right-of-way on the west side of Benbrook Boulevard, city staff worked extensively with the two affected property owners (Jerry Spencer and Jerry Quicksall) to develop the new roadway alignment and modifications of property lines between the owners. To satisfy the owners and create more developable land, city staff agreed to support the abandonment and conveyance to the owners of a portion of the existing Aledo Road right-of-way and to relocate an existing sanitary sewer line that bifurcates a resulting parcel of land. The ILA provides that the City will be responsible for the sanitary sewer line relocation, which upon completion and acceptance, BWA will own without the need for further dedication or conveyance.

The BEDC will fund all portions of the project located east of Benbrook Boulevard and the right-of-way acquisition costs. The TIF District will fund the balance of the project. The BEDC has sufficient funds to cover the right-of-way acquisition costs.

Motion by Mr. Valverde, seconded by Mr. Phillips to approve the Interlocal Agreement with the Benbrook Water Authority for the sanitary sewer line relocation project and acquisition of 0.45 acres of Right-of-Way and Slope Easement to be funded by the Benbrook Economic Development Corporation for \$70,000.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carries unanimously.

VII. OTHER MATTERS OF BUSINESS

1. Public Hearing on Property Tax Rate for 2021

Rick Overgaard gave the following overview of the proposed property tax rate for 2021:

No-New-Revenue and Voter-Approval Tax Rates (per \$100 valuation)

- No-New-Revenue Tax Rate \$0.610617
- Voter-Approval Tax Rate \$0.660771
- Proposed Tax Rate \$0.617500

Proposed Ad Valorem Tax Rates (per \$100 valuation)

- General Fund \$0.5810
- Debt Service Fund \$0.0365
- Operating Funds \$0.6175

Changes in Assessed Valuations

- Certified Appraised Value 5.65%
- Total Taxable Value 6.15%

Assessed Value Data

- New Construction \$47,922,226
- One Cent of Property tax \$ 252,346

At the August 5, 2021 City Council meeting the Finance Director presented the certified appraisal roll from Tarrant Appraisal District (TAD). City Council accepted the certified appraisal roll and appointed the Finance Director to calculate and publish the No-New-Revenue tax rate and Voter-Approval tax rate and enter tax data in www.tarranttaxinfo.com portal. Notices were published in the Fort Worth Star-Telegram on August 12, 2021. The public hearing on the tax rate is being held tonight, August 19, 2021. The City Council will also adopt the 2020 Property Tax Rate at tonight's meeting (August 19, 2021).

Mayor Dittrich opened the Public Hearing at 8:03 p.m. No one spoke to the item. Mayor Dittrich closed the Public Hearing at 8:04 p.m.

2. First Public Hearing on Proposed Budget for FY 2022/2022

Rick Overgaard gave an overview of the proposed budget for FY 20221/2022 as follows:

- 2020/2021 tax rate \$0.62250
- Proposed 2021/2022 tax rate \$0.61750

Revenues and Transfers In

- General Fund \$21,354,964
- Debt Service Fund \$ 1,924,494
- Operating Funds \$23,279,458

Expenditures and Transfers Out

- General Fund \$21,353,978
- Debt Service Fund \$ 1,909,337
- Operating Funds \$23,263,315

Transfers Out – General Fund

- Capital Asset Replacement \$300,000

Transfers to Operating Funds

- Storm Water Utility Fund \$742,415
- TIF Fund \$297,586

Projected Ending Fund Balances

- General Fund \$11,438,025
- Debt Service Fund \$ 471,915
- Operating Funds \$11,909,940

Budget Highlights (Base Budget)

- Continuation of current services, programs and staffing levels
- No Decision Packages
- 3.5% COLA for Full-Time Employees
- Flat Sales Tax growth
- Purchase Dump Truck per Capital Improvements Program
- Increase Asphalt Overlay Program per Capital Improvements Program

Debt Service Fund

- Principal and interest payments for three General Obligation Bond issues, including new 2021 Series Bonds
- Transfers from Storm Water Utility Fund and TIF Fund for related debt - \$1,040,001

- Debt Service Property Tax Rate at \$0.0365

This is the first public hearing on the proposed Fiscal Year 2021-2022 budget. The next public hearing will be held on September 2, 2021. City Council will adopt the FY 2021-2022 budget and ratify property tax revenue increase at the September 16, 2021 meeting.

Mayor Dittrich opened the public hearing at 8:08 p.m. No one spoke to the item. Mayor Dittrich closed the public hearing at 8:09 p.m.

G-2531 Adopt Ordinance fixing and levying ad valorem tax for 2021

Motion by Dr. Marshall, seconded by Mr. Valverde that the property tax rate be increased by the adoption of a tax rate of \$0.6175, which is effectively a 1.13 percent increase in the tax rate.

Vote on the Motion by Roll Call

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Valverde, Ms. Mackey, Mr. Ward

Noes: None

Motion carries unanimously.

Ordinance No. 1471 being **“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BENBROOK, TEXAS, FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022, AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, AT THE RATE OF \$0.6175 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUE ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF BENBROOK, TEXAS, AS OF JANUARY 1, 2021, TO PROVIDE REVENUES FOR THE PAYMENT OF CURRENT EXPENSES AND TO PROVIDE AN INTEREST IN DEBT SERVICE FUNDS ON ALL OUTSTANDING DEBTS OF THE CITY; DIRECTING THE ASSESSMENT THEREOF; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST THEREON; PROVIDING FOR PLACE OF PAYMENT; PROVIDING FOR APPROVAL OF THE TAX ROLLS PRESENTED TO THE CITY COUNCIL; PROVIDING FOR THE REPEAL OF INCONSISTENT ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE AND DECLARING AN EFFECTIVE DATE.”**

VIII. INFORMAL CITIZEN COMMENTS

Daniel Bennett spoke to City Council regarding a letter from Senator Jane Nelson to the Tarrant Appraisal District Board of Directors on April 30, 2020 asking for investigation into increases in appraisals in Tarrant County.

IX. COUNCIL MEMBER AND STAFF COMMENTS

X. ADJOURNMENT

Meeting adjourned at 8:15 p.m.

APPROVED:


Jerry B. Dittrich, Mayor

ATTEST:


Joanna King, City Secretary