

**CITY OF COPPERAS COVE
CITY COUNCIL REGULAR MEETING MINUTES
July 15, 2008 – 7:00 P.M.**

A. CALL TO ORDER

Mayor Pro Tem Robert L. Reeves called the regular meeting of the City Council of the City of Copperas Cove Texas to order at 7:00 p.m.

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Sheppard gave the Invocation, and led the Pledge of Allegiance.

C. ROLL CALL

ALSO PRESENT

Bob Reeves
Larry D. Sheppard
Mark E. Peterson
Charlotte Heinze
Ray Don Clayton
Fred Harris
Frank D. Somera, Jr.

Andrea M. Gardner, City Manager
James R. Thompson, City Attorney
Jane Lees, City Secretary

D. ANNOUNCEMENTS

Council Member Goode announced that on Saturday, July 19, 2008, Music at the Gap will be sponsored by the Boys & Girls Club. Events start at 11:00 a.m. for children, with a 6:00 p.m. evening performance as well. He said this is a family event and it's free.

E. PUBLIC RECOGNITION

1. Employee Service Awards. ***Andrea M. Gardner, City Manager***

June 2008 Recipients: Stephen Clendenen, Fire Lieutenant, 5 years; Tiffany Oakes, Assistant Supervisor Municipal Court, 5 years; Steven Wright, Firefighter/Paramedic, 5 years; Rachel Brooks, Police Department Communications Operator, 5 years; James Stayton III, Firefighter/EMT, 10 years; James Bednar Jr., Fire Inspector/Lieutenant, 10 years; Joe Wooten, Wastewater Senior Lab Technician, 30 years.

F. CITIZENS' FORUM citizens are allowed to speak on any matter other than personnel matters, matters under litigation, or matters on the regular agenda, for a length of time not to exceed five minutes per person. Thirty minutes total has been allotted for this section.

Linda Williams, 3011 Grimes Crossing Road. Ms. Williams stated that she and her husband, Rayford, leased land for oil and gas drilling before they became part of the City. She said that in previous meetings, the Council heard from citizens who do not want any additional drilling permits issued. She said she was there to tell the other side of the story. The very presence of the houses that have now surrounded their property has permanently altered their lifestyle. First there was the noise and dust of the construction of Big Divide Road and the subsequent traffic noise. Prior to all this activity they had lived a very quiet life. More noise, dust and trash became

part of their life when the houses began to be built. Now they have to watch carefully for trespassers and vehicles running through fences on their property. She said that they certainly understand lifestyle change. Regarding the noise and dangers of drilling, she said that the drilling companies must follow very strict safety regulations. During drilling near her home, she said that drilling noise and lights were not a problem even though the rig ran day and night. She said that it was a great learning experience for them and that the people who worked on the rigs answered all their questions. They are learning to live by the new rules and intend to be cooperative with the City and their neighbors. The drilling offers them the prospect for a return on their investment that cattle would not have given to them. She asked that the Council also consider the rights of the non-traditional citizens when considering issuing drilling permits.

Roger O'Dwyer, 1703 Highland Drive. Mr. O'Dwyer said that at the July 1, 2008 Council Meeting, the Mayor Pro Tem talked about Ordinance No. 2000-26, however he did not discuss that portion of the ordinance which talks about missing two consecutive regular meetings and that it disqualifies a person from sitting on the Council. He asked that the Council think about this. He said that another Council Member has quoted from the *Home Rule Cities Handbook for Mayors and Councilmembers*. He said that Chapter 9 discusses conflicts of interest. He stated that the conflict of interest rule applies to all public offices whether paid or unpaid. Mr. O'Dwyer stated that some people said that he gave orders every day to people in the City. He said that those who testified at his hearing stated that he never gave any orders. He told the Council to present people to him who believes he gave orders to City Staff, or stop making comments to the press.

William Thomas, 1110 Cummings Avenue. This Council has a duty to uphold the image of this City and the image of the Council as well. He said that he made a statement that a conflict of interest existed between Council Member Sheppard and Council Member Goode. He never challenged it; he said he was merely stating that there was a conflict. Mr. Thomas said that if the voters of the City say that this is O.K., then so be it. His only purpose was to make the voters aware that a conflict existed. Mr. Thomas stated that the Council seriously hurt the image of this City by removing the Mayor, although he feels that the motives for doing so were exceptional. He felt that the Council allowed people to challenge their fairness to the X-Mayor in a trial that never existed. It was only an item on the agenda that they should have studied and come to the meeting with a legitimate knowledge of the violations of the City Charter. Mr. Thomas said that the Council should pay attention to their image, language and logic, when it comes to telling the truth. He told them to not let an over-exuberance to protect an image change the focus of the Council's job. The Council are the guardians of the City and of its Charter, and if someone violates the Charter, act with due dispatch to correct that situation.

Ralph Roberts, 2983 Grimes Crossing Road. He said he wanted to commend the Copperas Cove Police Department. He said that last Saturday he laid his wife to rest and four officers escorted them to the Bell County Line. He said that he will be sending a personal letter of appreciation to Sgt. Ruiz and Officers Dudden, Ellis, and Terry.

G. CONSENT ITEMS

1. Consideration and action on authorizing the Mayor Pro Tem to represent the City of Copperas Cove's position regarding TxDOT Category 3 Funding with written correspondence to the Texas Transportation Commission. **Andrea M. Gardner, City Manager**

Council Member Peterson made a motion to approve consent items G-1. Council Member Heinze seconded the motion, and with a unanimous vote, motion carried.

H. PUBLIC HEARINGS/ACTION

1. Public hearing and action on Ordinance No. 2008-23, amending the 2007-08 fiscal year budget for the City of Copperas Cove. **Wanda Bunting, Director of Financial Services**

Wanda Bunting, Director of Financial Services, gave an overview of agenda item H-1.

Mayor Pro Tem Reeves opened the public hearing.

Speaking: Roger O'Dwyer, 1703 Highland Drive. He said that the original \$15,000 request from the Chamber was for overtime for the police. This has been amended to include other items. Mr. O'Dwyer said he did not like round numbers and would like to see things accounted for down to the penny. He said that events were supposed to make money for the Chamber and that the Golf Course should make money for the City. He suggested that policies should be changed to make things more profitable.

Mayor Pro Tem Reeves closed the public hearing.

Council Member Heinze made a motion to approve agenda item H-1. Council Member Peterson seconded the motion, and with a unanimous vote, motion carried.

2. Public hearing on the permit applications of Central Basin Oil Investments, Inc. and Halek Energy LLC for Atkinson #3CB through #8CB to drill for oil and gas within the corporate limits of the City of Copperas Cove. **James R. Thompson, City Attorney**

James R. Thompson, City Attorney, gave an overview of agenda item H-2.

Mayor Pro Tem Reeves opened the public hearing.

Speaking for: None.

Speaking Against: None.

Mayor Pro Tem Reeves closed the public hearing.

3. Public hearing on the permit application of Central Basin Oil Investments, Inc. and Halek Energy LLC for re-entry drill on Williams #1 within the corporate limits of the City of Copperas Cove. **James R. Thompson, City Attorney**

James R. Thompson, City Attorney, gave an overview of agenda item H-3.

Mayor Pro Tem Reeves opened the public hearing.

Speaking for: Nate Freeman, representing Central Basin Oil/Halek Energy of Ft. Worth, Texas. He clarified that the re-entry permit is for a drill depth of 1,998 ft.

Linda Williams, 3011 Grimes Crossing Road. Ms. Williams spoke earlier so that the Council could hear the other side of the story. She said that when both sides are known, everyone understands each other better.

William Thomas, 1110 Cummings Avenue. Mr. Thomas stated that drilling upsets a lot of people because they believe it is detrimental to the environment. He stated that drilling is a very temporary thing. Once it is finished, production begins. The potential revenue—jobs and consumers—must be considered, because it will benefit all of us. He said that these proposed wells do not represent a threat.

Speaking Against: None.

Mayor Pro Tem Reeves closed the public hearing.

4. Public hearing on the permit applications of Central Basin Oil Investments, Inc. and Halek Energy LLC for Moten #1CB through #13CB to drill for oil and gas within the corporate limits of the City of Copperas Cove. **James R. Thompson, City Attorney**

James R. Thompson, City Attorney, gave an overview of agenda item H-4.

Mayor Pro Tem Reeves opened the public hearing.

Speaking for: None.

Speaking Against: None.

Mayor Pro Tem Reeves closed the public hearing.

I. ACTION ITEMS

1. Consideration and adoption of Resolution No. 2008-25 of the City of Copperas Cove, Texas approving an application for funding through the Texas Department of Agriculture Downtown Revitalization Program. **Andrea M. Gardner, City Manager**

Andrea M. Gardner, City Manager gave an overview of agenda item I-1.

Council Member Clayton made a motion to approve agenda item I-1. Council Member Peterson seconded the motion, and with a unanimous vote, motion carried.

The Resolution caption is as follows:

RESOLUTION NO. 2008-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, TEXAS APPROVING AN APPLICATION FOR FUNDING THROUGH THE TEXAS DEPARTMENT OF AGRICULTURE DOWNTOWN REVITALIZATION PROGRAM.

2. Consideration and action on Resolution No. 2008-27, authorizing the City Manager to execute a Standing Steering Committee Participation Agreement and payment of the initial membership fee. **Andrea M. Gardner, City Manager**

Andrea M. Gardner, City Manager, gave an overview of agenda item I-2.

Council Member Peterson made a motion to approve agenda item I-2. Council Member Heinze seconded the motion, and with a unanimous vote, motion carried.

The Resolution caption is as follows:

RESOLUTION NO. 2008-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A STANDING STEERING COMMITTEE PARTICIPATION AGREEMENT AND PAYMENT OF THE INITIAL MEMBERSHIP FEE.

3. Consideration and action on Resolution No. 2008-24, suspending the August 8, 2008 effective date of Oncor Electric Delivery Company requested rate change to permit the City time to study the request and to establish reasonable rates; approving cooperation with Oncor Cities Steering Committee to hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals.
Andrea M. Gardner, City Manager

Andrea M. Gardner, City Manager, gave an overview of agenda item I-3. John Toone, Area Manager, Oncor Electric Deliver, was present to add to Ms. Gardner's presentation. He explained that Oncor was formed as part of deregulation in 2001 and rates were set at that time. The rates have been flat for seven years and there is a need to increase them at this time. They currently have the lowest delivery rates in the State of Texas. The increase requested will increase the average citizen's bill by a total of 2.7% or \$5.09 per month. They are recommending that cities deny the rate case because they want to appeal all those decisions in order to have the same rates in all 400 communities that they currently serve.

Council Member Heinze made a motion to approve agenda item I-3. Council Member Goode seconded the motion, and with a unanimous vote, motion carried.

The Resolution caption is as follows:

RESOLUTION NO. 2008-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, SUSPENDING THE AUGUST 8, 2008 EFFECTIVE DATE OF ONCOR ELECTRIC DELIVERY COMPANY REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH ONCOR CITIES STEERING COMMITTEE TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATIONS AND APPEALS.

4. Consideration and action on authorizing the Mayor Pro Tem to execute an Interlocal Cooperation Agreement between the City of Copperas Cove and the County of Lampasas to provide health related services regarding on-site water/sewer treatment facilities. ***Andrea M. Gardner, City Manager***

Andrea M. Gardner, City Manager, gave an overview of agenda item I-4. The Agreement should be changed to reflect only sewer and not water treatment facilities. In addition, the words "county health officer" should be stricken from the agreement.

Council Member Clayton made a motion to approve agenda item I-4 with the above-mentioned changes. Council Member Peterson seconded the motion, and with a unanimous vote, motion carried.

5. Consideration and action on authorizing the City Manager to solicit proposals (Request for Proposals) for full-time legal services. **Andrea M. Gardner, City Manager**

Andrea M. Gardner, City Manager, gave an overview of agenda item I-5.

Council Member Goode made a motion to approve agenda item I-5. Council Member Heinze seconded the motion, and with a unanimous vote, motion carried.

6. Consideration and action on Resolution No. 2008-26, ordering a special election to be held on November 4, 2008 and, if necessary, a runoff election; establishing polling locations; naming the presiding judge and alternate for the runoff if necessary; and establishing procedures for said elections. **Jane Lees, City Secretary**

Jane Lees, City Secretary, gave an overview of agenda item I-6.

Council Member Sheppard made a motion to negate the March 25 action that was taken by the Council and restore Roger O'Dwyer to the position of Mayor that he was duly elected to. Council Member Goode seconded the motion. Mayor Pro Tem Reeves stated that this item was not posted on the agenda and could not be voted on at this time.

Mayor Pro Tem Reeves asked for a motion on item I-6. Council Member Peterson made a motion to approve agenda item I-6. Council Member Heinze seconded the motion. Discussion continued. Council Member Peterson called the previous question. Council Member Heinze seconded the motion. A roll call vote was taken with the following results:

Larry D. Sheppard	Against
Mark E. Peterson	For
Charlotte Heinze	For
Ray Don Clayton	For
Willie C. Goode	Against
Frank Seffrood	For

Motion carried 4-2.

A roll call vote was taken on the main motion with the addition of adding a date to hold a runoff election, if necessary, on December 20, 2008, as follows:

Larry D. Sheppard	Against
Mark E. Peterson	For
Charlotte Heinze	For
Ray Don Clayton	For
Willie C. Goode	Against

Frank Seffrood For

Motion passed 4-2.

The Resolution caption is as follows:

RESOLUTION NO. 2008-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COPPERAS COVE, TEXAS, ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 4, 2008 AND, IF NECESSARY, A RUNOFF ELECTION; ESTABLISHING POLLING LOCATIONS; NAMING THE PRESIDING JUDGE AND ALTERNATE FOR THE RUNOFF IF NECESSARY; AND ESTABLISHING PROCEDURES FOR SAID ELECTIONS.

7. Schedule a Public Hearing on City Manager's Proposed Budget for the 2008-2009 fiscal year for August 7, 2008. ***Wanda Bunting, Director of Financial Services***

Wanda Bunting, Director of Financial Services gave an overview of agenda item I-7.

Council Member Peterson made a motion to schedule the public hearing for August 7, 2008. Council Member Goode seconded the motion, and with a unanimous vote, motion carried.

J. STAFF REPORTS

1. Financial Report for the Month ended May 31, 2008. ***Wanda Bunting, Director of Financial Services***

Wanda Bunting, Director of Financial Services presented the Financial Report for the month ended May 31, 2008.

K. REPORTS OF ADVISORY COMMITTEES AND BOARDS – None.

L. ITEMS FOR FUTURE AGENDAS

Council Member Clayton stated that there would be an update at the next meeting on K-TUTS.

Council Member Clayton asked when the City would be revising the oil and gas ordinance. Ms. Gardner said that she would have an item in the August 5, 2008 agenda to rewrite the oil and gas ordinance for the City. Council Member Clayton asked if the City would be issuing any more permits prior to the writing of the new ordinance. Ms. Gardner said that would be a decision that the Council would have to make.

Mayor Pro Tem Reeves said he would like Council's concurrence again to look at the committee assignments. The Council gave unanimous consent.

M. EXECUTIVE SESSION

N. RECONVENE INTO OPEN SESSION FOR POSSIBLE ACTION RESULTING FROM ANY ITEMS POSTED AND LEGALLY DISCUSSED IN EXECUTIVE SESSION

O. ADJOURNMENT

There being no further business, Mayor Pro Tem Reeves adjourned the meeting at 8:55 p.m. p.m.

Robert L. Reeves, Mayor Pro Tem

ATTEST:

Jane Lees, City Secretary