

**MINUTES OF THE
SPECIAL CITY COUNCIL MEETING
MONDAY, JANUARY 12, 2009 — 6:00 P.M.
KAUFMAN CITY HALL
209 S. WASHINGTON
KAUFMAN, TEXAS 75142**

CITY COUNCILMEMBERS

MAYOR	WILLIAM FORTNER
MAYOR PRO-TEM	GIL ALTOM JR.
COUNCILMEMBER	KENNY CAMPBELL
COUNCILMEMBER	STEVE COOPER
COUNCILMEMBER	JEFF COUNCIL
COUNCILMEMBER	CHARLES GILLENWATER
COUNCILMEMBER	BARRY RATCLIFFE

CALL MEETING TO ORDER: Mayor Fortner called the Meeting to order at 6:00 p.m. Councilmember's present were William Fortner, Gil Altom Jr., Kenny Campbell, Steve Cooper, Jeff Council, Charles Gillenwater and Barry Ratcliffe. Mayor Fortner declared a quorum present. Also present were City Manager Curtis Snow, Administrative Assistant Leslie Malone, Chief of Police Michael Holder, Police Captain Randy Roach, Director of Development Services Marcy Ratcliff, Finance Director Cathy Cummins and Kaufman Economic Development Director Lee Ayers.

CITIZENS COMMENTS (5 MINUTES) Citizens may address the City Council on any subject but must first complete a Request to Speak Form. Comments are limited to five (5) minutes, but no more than five (5) minutes per individual, and are not transferable. Citizen's comments not to exceed a total of 15 minutes.

No citizen's comments were made.

DISCUSSION/ACTION ITEMS

1. Discuss Water and Roadway Facilities Impact Fees.
 - A. Consider First Reading of Ordinance O-24-08 repealing Ordinance O-01-03, regarding Water Facilities Impact Fees.
 - B. Consider First Reading of an Ordinance amending the percentages of Ordinance O-01-03 Water Impact Facilities Fees.

- C. Consider First Reading of Ordinance O-25-08 repealing Ordinance O-12-04, regarding Roadway Facilities Impact Fees.
- D. Consider First Reading of an Ordinance amending the percentages of Ordinance O-12-04, regarding Roadway Facilities Impact Fees.

City Manager Curtis Snow presented four options that were chosen based on previous discussions with the Council. Staff recommends that the Council reduce the fees. The Council can set the fees at zero or repeal the ordinance if they choose. There is no cost savings to setting the fees to zero. For housekeeping, it would be more beneficial to repeal the ordinance.

Councilmember Steve Cooper stated that his original intent was not to place a 5 year moratorium on impact fees. He was hoping to set the fees at zero for one to two years and then phase in fees. He would like to maintain the availability to amend fees immediately as growth dictates.

City Attorney David Dodd stated that if you repeal the ordinance, you will not be ready for new development as it can take a year to complete a new study and enact the fees. A fee set at zero can open the door to litigation in the future.

Mayor Fortner stated that he would like to keep water impact fees as they currently stand. The water impact fees are currently lower than all surrounding water corporations charge for new service. Would like to see a two year moratorium on roadway impact fees, and follow with a phase-in of fees.

Kaufman EDC Director Lee Ayers stated that he can argue both sides. When he was employed at the Chamber of Commerce, they fought tooth and nail against impact fees stating that impact fees hinder attracting new businesses, but as the EDC director, only about 10% of new businesses even inquire about impact fees.

City Manager Curtis Snow stated that if you have impact fees, you can always use them to negotiate with incoming businesses and that for the most part, national firms do not use impact fees as a determining factor of where to locate a business.

Mayor Pro-Tem Gil Altom, Jr. stated that residential developers have always stated that impact fees hinder their ability for new development. There have been no issues caused by new growth that the City has needed to fix since it began collecting impact fees and this is an unfair tax. There is not enough growth to warrant the fees being assessed, but he does not want to get into a situation where current Kaufman citizens are

paying for new growth. When the existing study was completed, the engineers assumed a growth rate for the City, and the assumed growth rate did not reflect the actual growth of Kaufman causing the fees to be higher than necessary.

Mayor Fortner stated that the current fees were approximately \$900 in street impact fees per lot, and \$700 for water impact fees per lot.

City Manager Curtis Snow stated that the study costs approximately \$15,000 and we have already spent \$2,000. To cancel the study would save approximately \$13,000. However, if you do the study for water impact fees only, the cost would remain relatively the same. Two projects have been identified as necessary for use of the impact fee funds. The first is the roadway connection of Old Kemp Highway to state highway 34 for the proposed Wal-Mart store. The other project is a pump on the North Texas Municipal Water District's intake point that was added to meet Texas Commission of Environmental Quality standards. The pump was added approximately a year and a half ago, and the City could be reimbursed from the water impact fee fund for this expense.

Councilmember Barry Ratcliffe stated that he would like to see a phase-in of the fees as 5% the first and second years, 10% the third year, 25% the fourth year, and 50% the fifth year to reflect economic projections.

1D. Councilmember Jeff Council made a motion to amend roadway impact fees to 5% the first and second year, 10% the third year, 25% the fourth year, and 50% the fifth year. The motion was seconded by Councilmember Steve Cooper. The motion passed unanimously.

1B. Councilmember Barry Ratcliffe made a motion to give staff direction on water impact fees at 5% the first and second years, 10% the third year, 25% the fourth year, and 50% the fifth year. The motion was seconded by Councilmember Kenny Campbell. Mayor Fortner opposed.

The roadway impact fee ordinance will be brought to the City Council for the first reading at next month's council meeting. The water impact fees cannot be enacted until the study is completed as they have already expired.

2. Consider adoption of Ordinance O-01-09 of the City of Kaufman, Texas, amending the Fiscal Year 2007-2008 Budget. (Budget Amendments: 08-009 and 08-010)
3. Finance Director Cathy Cummins stated that this budget amendment was simply a housekeeping matter and would have no effect on cash. This is simply completed to maintain fund balances and was necessary to add a

“transfer to” line in the budget. (David Dodd left at 6:46) Mayor Pro-Tem Gil Altom Jr. made a motion to approve Ordinance O-01-09, and the motion was seconded by Councilmember Gillenwater. The motion passed unanimously.

3. Consider City Council support on the Traffic Signals and One-Way Traffic on the Service Roads between Washington Street (Highway 34) (North Side of Highway 175) and Houston Street (F.M. 1388) and from Houston Street (F.M. 1388) to Washington Street (Highway 34) (South Side of Highway 175).

City Manager Curtis Snow stated that this item was one of four options recommended to the Texas Department of Transportation (TxDot) following a traffic study completed on the State Highway 34 and State Highway 175 intersection and is an option that TxDot has stated was not an option until the Highway 34 bypass overpass was completed. The changes would reduce delay time among all roadways except on the south side of 175 towards the Kaufman County Jail. In the past, businesses along the frontage road were opposed to making the frontage road one way citing the potential loss of business. With this recommendation, fewer businesses will be affected. TxDot will host a meeting on January 20th, to discuss this option with businesses. Staff recommends supporting this option.

Mayor Fortner stated that this option will be advantageous to both the City and the school as it will free up a traffic officer for each entity that currently provides traffic control at the intersection.

Mayor Pro-Tem Altom Jr. made a motion to support the Traffic Signals and One-Way Traffic on the Service Roads between Washington Street (highway 34)(North Side of Highway 175) and Houston Street (F.M. 1388) and from Houston Street (F.M. 1388) to Washington Street (Highway 34) (South Side of Highway 175). Councilmember Ratcliffe seconded the motion and it passed unanimously.

APPOINTMENTS

4. Consider appointments to serve as the Capital Improvement Advisory Committee under Chapter 395.058, Local Government Code, to review and process the Water and Street Impact Fees.

Mayor Pro-Tem Gil Altom Jr. made a motion to table this item until the next meeting so the Council could have time to evaluate their recommendations to the Committee. Councilmember Charles Gillenwater seconded the motion and it passed unanimously.

ANNOUNCEMENTS FROM CITY MANAGER.

City Manager Curtis Snow stated that the council had restored his faith in democracy after watching them come together concerning the impact fees.

Mayor Fortner stated he will be out of town on January 26th, so Mayor Pro-Tem Gil Altom Jr. will be handling the meeting.

ADJOURNMENT.

The City Council adjourned at 6:58 p.m.

**WILLAM FORTNER
MAYOR**

ATTEST:

**JO ANN TALBOT
CITY SECRETARY**