



**Lavon City Council Regular Meeting  
Minutes  
September 3, 2013**

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**I. MEETING CALLED TO ORDER AT 7:05 P.M. BY MAYOR TESKE**

Members Present: Mayor Chuck Teske  
Council Member Place 1, Chris Kane, Mayor Pro-Tem  
Council Member Place 3, Melissa Stroop  
Council Member Place 4, David Hawkins

Members Absent: Council Member Place 5, Jenny Bodwell  
Council Member Place 2, Deborah Nabors

Staff Present: City Secretary Chris Wess  
Police Chief Mike Jones

Legal Representative: Brenda McDonald, Tim Green

Commission and  
Board Members: None

Visitors: 5  
There was a Quorum present.

**II. MAYOR TESKE LED THE COUNCIL AND VISITORS IN THE PLEDGE OF ALLEGIANCE.**

**III. INVOCATION**

Mayor Teske gave the invocation.

**IV. CITIZENS COMMENTS**

None

**V. ITEMS OF INTEREST/CITY COUNCIL COMMUNICATIONS**

Mayor Pro-Tem Kane relayed there will be a football game opener on Friday, the Braves will play Quinlan at 7:30.

**VI. PUBLIC HEARING**

- A. Mayor Teske opened the Public Hearing at 7:08 p.m.
- B. Mayor Teske opened the floor to receive public comment for or against the proposed property tax rate for the fiscal year 2013-2014 of \$0.4557 per \$100. Mayor Teske stated there were no comments.
- C. Mayor Teske closed the floor to public comment
- D. Mayor Teske closed the Public Hearing at 7:08 p.m.

**VI. CONSIDERATION AND ACTION**

- A. City Council to Consider and Act on approving the following items for the Heritage Public Improvement District No. 1 Bonds:
  - 1. Preliminary Official Statement and authorizing distribution thereof;



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2. Ordinance Authorizing the Issuance of bonds, Trust Indenture, and Bond Purchase Agreement;
3. Signature Identification and No-Litigation Certificate;
4. General Certificate;
5. Certificate as to Tax Exemption;
6. IRS Form 8038G;
7. Rule 15c2-12 Certificate; and
8. Authorize the Mayor or Mayor Pro-Tem to take any and all actions necessary to proceed with issuance and closing of sale of Bonds. (Teske)

Tim Green stated that to start a perimeter sale, he put together documents to do a series of bonds that will go out into the marketplace. He relayed that this will happen in the next 2 weeks. He confirmed there will be 8,015,000 worth of bonds, and once they are sold, the documents will need to be signed by the Mayor. He affirmed the Andy Messer's office has looked at the documents and there are no less than 20 places that protect the City and the General Fund. Mayor Pro-Tem Kane stated that, on page 15, Laura Kennemer is no longer City Treasurer. Council Member Stroop asked that her last name be changed on the documents. Mayor Teske read the letter from Andy Messer's office. Brenda McDonald found over 20 references that clearly limited the repayment of bonds to special revenue assessments, with no ability to repay the bonds through the Ad Valorem taxes General Fund. She gave the Council an example of some of the kinds of limiting such as, the bonds do not give rise to a charge against the general credit or taxing powers of the issuer, and are not payable except in this trust indenture. Further the issuer shall have no legal or moral obligation to pay for the bonds outside of any funds of the issuer other than special assessment revenues. She gave another example, the Trustee shall never have the right to demand payment of the bonds out of any funds of the issuer other than special revenues. Ms. McDonald gave another example which is that the bonds do not give rise to a charge against the general creditor; taxing power of the issuer is not payable except as provided in this trust indenture. The issuer shall have no legal or moral obligation to pay for bonds out of any funds of the issuer other than special assessment revenues. She stated the over 20 provisions that she found is the kind of language she was looking for to protect the City. Ms. McDonald also relayed that Andy Messer's office would like to be included in the document and that they added wording in the document so that, even if the bonds become taxable, they will not be able to come after the City to fund them.

**Motion:** Mayor Pro-Tem moved to approve the Heritage Public Improvement District No. 1 bonds with all the attachments as adjusted in the conversation.

**Second:** Council Member Stroop

**In Favor:** Mayor Pro-Tem Kane, Council Members Stroop and Hawkins.

**Opposed:** None



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**Motion:** Carries

- B. City Council to Consider and Act on reassigning office space for City Staff as follows:
1. Move Public Works Director to Room #3 to the desk that was occupied by City Secretary.
  2. Locate part-time clerk to Room #4 next to the City Secretary.
  3. Locate the Building Inspector to small desk in Room #3 or #4.
  4. Vacant Room #5 available for City library or meeting room, or move Economic Development Corp. from Room #8 to provide for building storage. (Hawkins)

Council Member Hawkins confirmed he believed this is a better configuration of the rooms and that it will allow them to be used more efficiently. He also stated that he was concerned about having a designated area for the Community Center. He believes that, without more activities, the Citizens might lose interest and the Community Center will go away. Council Member Hawkins made a motion to adopt the plan but the motion died without a second. Council Member Stroop asked to take a recess to look at the different room configurations.

Mayor Teske recessed the meeting at 7:34 p.m.

Mayor Teske reconvened at 7:46 p.m.

**Motion:** Council Member Stroop made a motion to reassign office space and move Public Works Director to Room #3, move the part-time clerk to Room #4, move Building Inspector to Room #3 or #4, and move the EDC to Room #5.

**Second:** Council Member Hawkins

**In Favor:** Mayor Pro-Tem Kane, Council Members Stroop and Hawkins.

**Opposed:** None

**Motion:** Carries

- C. City Council to Consider and Act on approving the Voluntary Dental and Vision Insurance Plan through TML to be paid by Employees exclusive of the \$500.00 health insurance benefit paid by the City. (Teske)

Council Member Stroop questioned if the City was paying anything for the Dental Plan. Mayor Teske relayed that the City was not paying for this plan and that the Employees would pay for the plan themselves.

**Motion:** Council Member Stroop made a motion on approving the Voluntary Dental and Vision Plan through TML to be paid by Employees exclusive of the \$500.00 health insurance benefit paid by the City.

**Second:** Mayor Pro-Tem Kane

**In Favor:** Mayor Pro-Tem Kane, Council Members Stroop and Hawkins.

**Opposed:** None



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**Motion:** Carries

D. City Council to Consider and Act on authorizing the Mayor to release the reserve fund for use when necessary beginning on October 1, 2013 to be replenished when property taxes begin to be paid to the City in January 2014. (Teske) Council Members had some questions how the reserve funds would be used. Mayor Teske explained the different reasons for releasing the fund.

**Motion:** Council Member Stroop moved to approve authorizing the Mayor to release reserve fund for use when necessary beginning on October 1, 2013 to be replenished when property taxes begin to be paid to the City in January 2014.

**Second:** Council Member Hawkins

**In Favor:** Mayor Pro-Tem Kane, Council Members Stroop and Hawkins.

**Opposed:** None

**Motion:** Carries

**VIII. MAYOR TESKE TO OPEN A BUDGET WORKSHOP AND ANNOUNCE THAT A QUORUM IS PRESENT.**

City Council to Discuss the Proposed Budget for Fiscal Year 2013-2014. (Teske)

Workshop opened at 8:17 p.m

Council Member Jenny Bodwell and Council Member Deborah Nabors were not present for the budget workshop. The Council discussed several items in the budget.

**IX. MAYOR TESKE ADJOURNED THE BUDGET WORKSHOP AT 9:00 p.m.**

**X. CITY COUNCIL TO SET FUTURE MEETINGS AND AGENDAS**

None

**XI. PRESIDING OFFICER TO ADJOURN THE CITY COUNCIL MEETING**

Mayor Teske adjourned the meeting at 9:03 p.m.

Duly passed and approved on this 5<sup>th</sup> day of November, 2013.

Handwritten signature of Mayor Chuck Teske in black ink.

Mayor Chuck Teske

Attest:

Handwritten signature of Chris Weiss in black ink.



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Chris Wess, City Secretary