1. 9:00 A.M. City Council Workshop Agenda 9:00 A.m.

   Documents: 2016-01-12 AGENDA 9 00 AM.PDF

2. 9:00 A.M. City Council Workshop Meeting Packet

   Documents: 2016-01-12 COUNCIL PACKET 9 AM WORKSHOP.PDF

CITY OF HORSESHOE BAY

NOTICE OF PUBLIC WORKSHOP MEETING

AGENDA

January 12, 2016

Notice is hereby given to all interested members of the public that the Horseshoe Bay City Council will hold a Public Meeting at 9:00 a.m., on Tuesday, January 12, 2016 at City Hall, #1 Community Drive, Horseshoe Bay, Llano County, Texas. The agenda for the Public Workshop Meeting is to discuss and/or act on the following:

1. Call the Meeting to Order and Establish a Quorum
2. Conduct Public Hearing Pursuant to Local Government Code Section 43.063 Giving the Public the Opportunity to be Heard Regarding the Intent to Annex Five Areas Located in the City's Extraterritorial Jurisdiction into the City Limits
3. Discuss Annexation Process Regarding the Intent to Annex Five Areas Located in the City's Extraterritorial Jurisdiction into the City Limits
4. Discuss Proposed Fire Department Engine Replacement Plan
5. Discuss Fire Department Personnel Compensation Pay
6. Discuss Cash Flow for Utility Fund and Street Fund Capital Projects
7. Discuss the Need for Improved HSB POA Phone Directory Inclusive of all Residents (with consent)
8. Adjournment

Teresa L. Moore, TRMC
City Secretary

The Council may go into Executive Session, if necessary and appropriate, pursuant to the applicable section of the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapter D, on any matter that may come before the Council that is listed on the Agenda and for which an Executive Session is authorized. No final action, decision, or vote will be taken by the Council on any subject or matter while in Executive Session. Any action, decision or vote will be taken by the Council only in open meeting.

Certificate of Posting

I, Teresa L. Moore, City Secretary for the City of Horseshoe Bay, Texas do certify that this Notice of Meeting was posted at City Hall, in a place readily accessible to the general public continuously 72 hours prior to the meeting.

Teresa L. Moore, City Secretary

CITY OF HORSESHOE BAY

COUNCIL WORKSHOP MEETING

JANUARY 12, 2016
9:00 A.M.

CITY OF HORSESHOE BAY

NOTICE OF PUBLIC WORKSHOP MEETING

AGENDA

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Teresa L. Moore, City Secretary

Item # 3

CITY OF HORSESHOE BAY

JANUARY 12, 2016

To: Mayor and City Council

From: Stan R. Farmer, City Manager

Re: Discuss Annexation Process Regarding the Intent to Annex Five Areas Located in the City's Extraterritorial Jurisdiction into the City Limits

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Under this item Council and staff can talk about anything pertaining to annexation in general and in particular with this annexation under consideration now.

Staff, to include the City Manager, City Attorney and Eric Winter, would like to cover the following items, in addition to any others you would like to discuss.

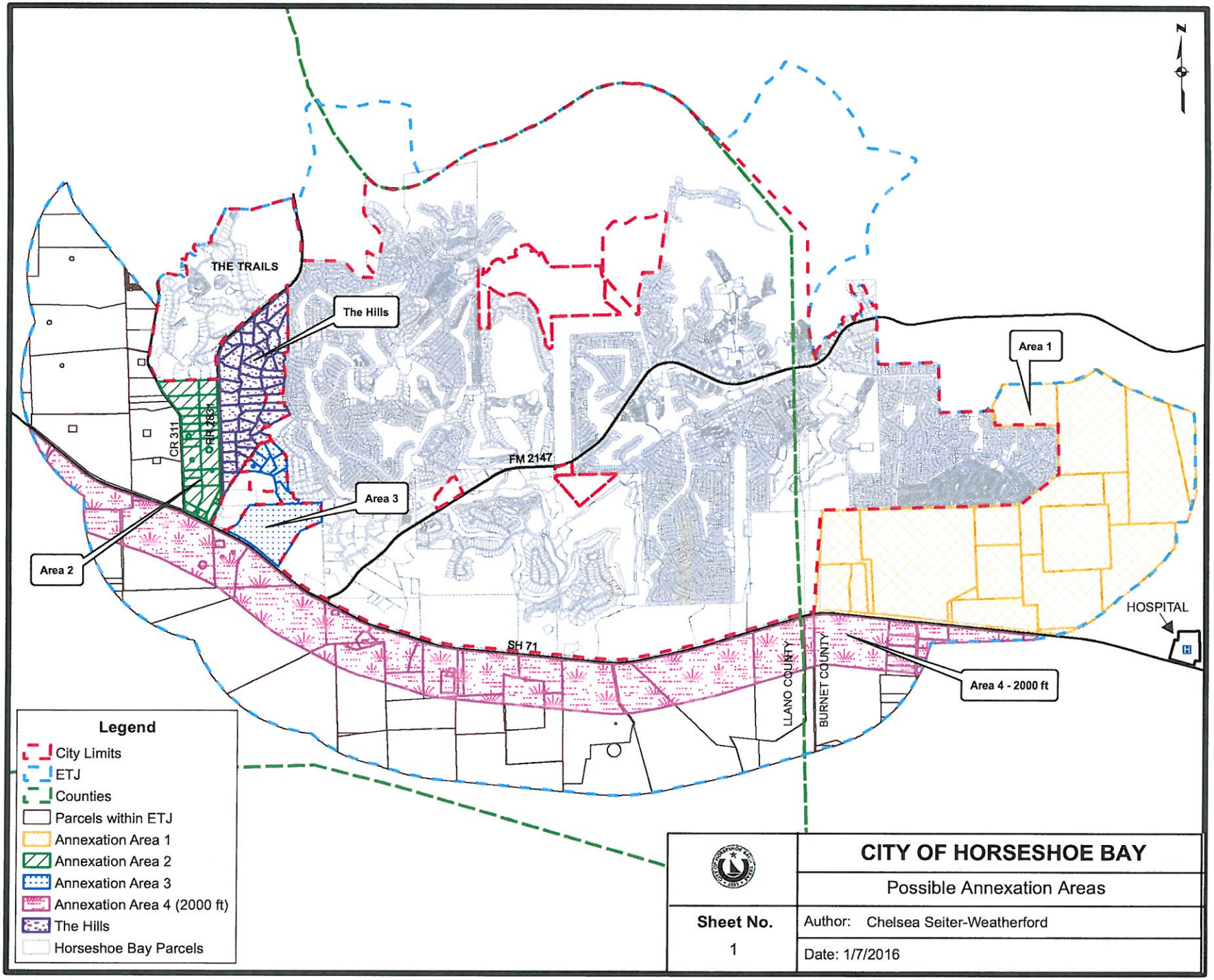
The 2014 Annexation

The Zoning Process for any land Annexed

New Timeline for the Revised Development Agreements

Discuss Service Plans and when Final Version is Required

Enclosures: Latest Proposed Annexation Map dated January 6, 2016



Document Path: F:\A COMMUNITY SERVICES\GIS\MAPS\Council Map.mxd

This map was created or compiled by the City of Horseshoe Bay's GIS Department with the intent of using the map for local government related activities. Maps are a graphical representation with issues of accuracy and resolution display. This map may contain errors, may not be current, may omit information and should be used for informational purposes only. The City cannot accept any

Item # 4

CITY OF HORSESHOE BAY

JANUARY 12, 2016

To: Mayor and City Council

Thru: Stan R. Farmer, City Manager

From: Joe Morris, Fire Chief

Re: Discuss Proposed Fire Department Engine Replacement

After five months of employment as the City of Horseshoe Bay's Fire Chief, I have completed my needs assessment on our aging Fire Engine apparatus.

I do not recommend the purchase of a Ladder Truck. This is not needed due to the current agreement with Marble Falls Fire Department. Both Engine-11 and Engine-12 are in need of replacement due to age, mileage and lack of manufacturer support.

I approached the City Manager to discuss my proposed ideas now instead of waiting until the June budget workshops due to the approximate 300 days of lead time required to build and purchase a fire engine. He suggested that I give Council a presentation at this January Workshop.

My discussions address the following:

- Maintenance costs over the last 5 years.
- Condition of front line engines.
- Projected cost of replacement.
- Proposed options/timeline for replacement.
- Alternative financing options.

Enclosure: Horseshoe Bay Fire Department's Apparatus Assessment

HORSESHOE BAY FIRE DEPARTMENT

Apparatus Assessment

Apparatus Assessment

PURPOSE

Shortly after my appointment as the Horseshoe Bay Fire Chief in August, 2015 I began an assessment of the needs of the organization. I have identified several areas that need addressing, but I would like to immediately address the condition of the aging fleet of fire apparatus and make recommendations for needed improvements.

ASSIGNED APPARATUS

	Year and Make	**mileage**	**hours**
Engine-11	2006 American LaFrance	58,091	1,153
Engine-12	2003 Pierce Contender	69,202	5,712
Engine-13	1989 Pierce Arrow	54,545	4,528
Brush 11	2007 Ford F550	15,284	1,216
Brush 12	2012 Ford F550	5,712	567
Staff	2014 Chevrolet / Fire Chief	24,977	n/a
Staff	2015 Chevrolet / Asst. Chief	20,000	n/a

APPARATUS	**REPAIR COSTS PER YEAR**					**TOTAL**
	2015	**2014**	**2013**	**2012**	**2011**	
ENGINE 11	$4795.19*	$9,401.89	$16,373.58	$7,783.50	$8,586.49	**$46,940.65**
ENGINE 12	$4,616.75*	$7,785.25	$11,450.03	$5,807.41	$11,157.83	**$40,817.27**
ENGINE 13	$11,244.00*	$1,632.08	$5,238.73	$5,238.73	$2,970.85	**$26,324.39**
TOTAL	**$20,655.94***	**$18,819.22**	**$33,062.34**	**$18,829.64**	**$22,715.17**	**$114,082.31**

*Does not denote repairs incurred during December 2015

I am bringing this to the council now, instead of waiting until the June budget work sessions due to the lengthy amount of time required building fire apparatus. Typical manufacturers encounter a 300 day turnaround from specification to delivery. By starting this process now we could tentatively have an October delivery date on a new, much needed fire engine and still only impact next FY's budget. .

Apparatus Assessment

Engine 11 – 2006 American LaFrance (58,091 miles)

The primary issue with this apparatus is the manufacturer has gone out of business. Replacement parts are extremely difficult to locate and are costly.

Repair costs have been higher on this apparatus than any in the fleet over the last 5 years totaling $46,940.65

(Does not include routine preventive maintenance)

Engine 12 - 2003 Pierce Contender (69,202 miles)

This apparatus is over 12 years old. When purchased, it was an economical choice. This style cab and chassis are at the bottom end of the spectrum in regards to cost and longevity. The diesel motor in this commercial cab apparatus is grossly under powered for the terrain of Horseshoe Bay. It struggles to ascend many of the hills encountered.

Repair costs over the last 5 years - $40,817.27 (Does not include routine preventive maintenance)

Apparatus Assessment

Engine 13 - 1989 Pierce Arrow (54,545 miles)

The primary issue with this apparatus is the age. This engine has served the City of Horseshoe Bay well, but it lacks critical safety features that are present on today's fire apparatus.

Repair costs over the last 5 years - $26,324.39 (Does not include routine preventive maintenance)

RECOMMENDATIONS

After consideration of the afore mentioned factors I am suggesting the following:

I recommend that we do not purchase an Aerial Apparatus. Much discussion has occurred concerning the need for an aerial in Horseshoe Bay. The cost of this type of vehicle is approximately $900,000.00. Due to the size and weight of aerial trucks it would not be the optimal practice to respond to the wide range of emergency calls required of our fire department. It would primarily sit unused and only respond to fire incidents and motor vehicle collisions. Currently the City of Marble Falls Fire Department responds to Horseshoe Bay with a 107 ft. aerial apparatus under our mutual aid agreement. If this arrangement changes in the future, an aerial apparatus should be considered for purchase.

Apparatus Assessment

OPTION A

I recommend the approval to purchase two engines to replace our troubled fleet. Due to the build-time of fire apparatus (approximately 300 days) it is critical to begin determining the specifications required for a new engine and start the build process. No payment would be required until delivery after October 1, 2016 (budget / FY17).

However, I recommend we trade-in Reserve Engine-13 due to its age and Engine-11 due to lack of manufacturer support. We will maintain Engine-12 as a reserve apparatus. Each engine will cost approximately $450,000.00 with an approximate $50,000 trade-in allowance for a net total of $850,000.00.

OPTION B

My second recommendation is to purchase two engines with delivery scheduled for October 2016 for the first apparatus and the second scheduled for October 2017, thus spreading the cost over two budget cycles. The major disadvantage of postponing the purchase of the second apparatus is the increased cost of purchasing the same vehicle one year later. Most apparatus manufactures experience an approximate 5% increase annually. Another disadvantage is the decreased value of our trade-in apparatus over the course of the same year.

FINANCING

One alternative option to purchasing is to lease/purchase both apparatus. This would result in an approximate $50,000 annual payment per apparatus over a 10 year note.
The estimated interest rate obtained from Government Capitol Corporation is 3.25% fixed.

Thank you for consideration of my request.

Joe Morris / Fire Chief

Item # 5

CITY OF HORSESHOE BAY

JANUARY 12, 2016

To: Mayor and City Council

Thru: Stan R. Farmer, City Manager

From: Joe Morris, Fire Chief

Re: Discuss Fire Department Personnel Compensation Pay

Firefighters work schedule is different from all other city employees. They are required to work longer shift hours. Any hours worked in a 28 day pay cycle greater than 212 must be paid at overtime rate or equal compensatory time-off granted. This is governed by the Fair Labor Standardization Act (FLSA).

Currently the City of Horseshoe Bay chooses to issue compensatory time-off for fire department personnel for all hours worked in excess of 212. This practice has created the following issues for the Fire Department:

- This has created a financial liability of $102,309
- Compensatory time can be taken anytime the employee chooses.
- Scheduling difficulties to cover firefighters using their compensatory time.
- Increased usage of overtime to cover minimum staffing.

I would like to discuss the advantages and disadvantages of stopping the current practice of issuing compensatory time to fire department personnel and pay all FLSA hours worked at an overtime rate.

Also, I would like to discuss options for eliminating the current compensatory time balance.

Enclosures: Compensation Pay Presentation
Compensation Time leave balances

FIRE DEPARTMENT

COMPENSATORY TIME & OVERTIME PAY

JANUARY 12, 2016

CURRENT PAY PRACTICE

- In accordance with FLSA rules, eligible Fire personnel are paid premium pay* for hours over 212 in a 28-day period.
- Premium pay is paid in Comp Time up to 480 hours
- Overtime pay is paid when Comp Time accrual reaches 480 hours
- Current policy allows Comp Time at the City's discretion

*Premium pay is paid at 1.5x.

COMP TIME LIABILITIES

- Comp Time accrual creates a liability for the City which increases from year-to-year
  - As of 01/12/16 = $102,309
- FLSA rules allow Fire personnel the right to take Comp Time whenever desired – the City cannot refuse the use of Comp Time
- Forcing the use and issuing Comp Time increases the number of hours Fire personnel can be off, which increases the amount needed to fund part-time personnel and overtime

RECOMMENDATION

- Eliminate the use of Comp Time immediately
- Begin paying overtime pay for all hours worked over 212 hours
- Determine how to relieve the existing Comp Time liability
  - Require use of Comp Time over a specific period
  - Require use of a portion of Comp Time over a specific period and pay out remainder of the balance
  - Pay out in lump sum
  - Determine timeline

COMP TIME BALANCES
FIRE DEPARTMENT
AS OF 12.31.15 (last pay date)

Employee Last Name	First, MI Name	Leave Code	Hours	Processing Group Title	Rate	Liability (rounded)
PAYNE	HENRY K.	COMP	480	FIRE DEPARTMENT	20.62	**$9,898**
ISOM	JEFFREY W.	COMP	480	FIRE DEPARTMENT	23.49	**$11,275**
SCHMIDT	KYLE	COMP	480	FIRE DEPARTMENT	18.85	**$9,048**
MILLER	BENJAMIN R.	COMP	480	FIRE DEPARTMENT	18.42	**$8,842**
MARTIN	THAD A.	COMP	480	FIRE DEPARTMENT	19.45	**$9,336**
GUTHRIE	RYAN C.	COMP	456	FIRE DEPARTMENT	20.49	**$9,343**
WIMBERLEY	JOSHUA D.	COMP	440	FIRE DEPARTMENT	23.18	**$10,199**
CASEY	BRADLEY R.	COMP	408	FIRE DEPARTMENT	23.58	**$9,627**
NAIL	JOSHUA J.	COMP	391	FIRE DEPARTMENT	20.70	**$8,094**
BATES II	JOE E.	COMP	228	FIRE DEPARTMENT	20.78	**$4,727**
GRANT	CLIFTON W.	COMP	175	FIRE DEPARTMENT	21.49	**$3,761**
ALMAGUER	CARLOS V.	COMP	148	FIRE DEPARTMENT	17.89	**$2,648**
SCHWARTZER	JEREMY	COMP	130	FIRE DEPARTMENT	21.20	**$2,756**
WHITE	TERRY D.	COMP	121	FIRE DEPARTMENT	18.96	**$2,294**
MCDANIEL	TRAVIS	COMP	25	FIRE DEPARTMENT	18.47	**$462**
	Total FIRE - FIRE DEPARTMENT		4922			**$102,309**

Item # 6

CITY OF HORSESHOE BAY

JANUARY 12, 2016

To: Mayor and City Council

Thru: Stan R. Farmer, City Manager

From Larry O. Anderson, Finance Director

RE: Discuss Cash Flow for Utility Fund and Street Fund Capital Projects

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Last fall, the City Manager asked the Finance Director at this scheduled workshop to provide a cash flow analysis and information to assist City Council members and staff in making an informed decision regarding future funding (1-5 years) of Utility Fund major capital projects, General Fund capital expenditures, and Street Fund capital projects. He will provide handouts at this workshop presentation.

There is no need for a decision by Council after this presentation as the agenda item is not listed as an action item for January 12. Eventually, staff will need direction from Council in early 2016.

Enclosure: None