

**MINUTES OF THE SPECIAL CALLED MEETING  
RIVER OAKS CITY COUNCIL  
AUGUST 17, 2010**

**MEMBERS PRESENT:**

MAYOR HERMAN EARWOOD  
MAYOR PRO TEM JOANN GORDON  
COUNCIL MEMBER JOE CREWS  
COUNCIL MEMBER JOANN BUTLER  
COUNCIL MEMBER STEVE HOLLAND-5:56 PM  
COUNCIL MEMBER R.R. "BOB" MINTER

**STAFF PRESENT:**

CITY SECRETARY MARVIN GREGORY  
OFFICE MANAGER PAULA BAGWELL  
POLICE CHIEF CHISHOLM  
SECRETARY PAULA NIELSEN

**1. CALL TO ORDER**

With a quorum present, Mayor Earwood called the Special Called Meeting of the River Oaks City Council to order at 5:35 p.m. on Tuesday, August 17, 2010 at the River Oaks City Hall, 4900 River Oaks Blvd., River Oaks, Texas 76114.

**2. INVOCATION**

Council Member Crews delivered the Invocation.

**3. PLEDGE OF ALLEGIANCE TO UNITED STATES FLAG AND THE TEXAS FLAG**

CS Gregory led the pledge of allegiance to both the United States and the Texas flags.

**4. CONSIDER APPROVAL TO ENTER INTO A TEMPORARY INGRESS/EGRESS CONSTRUCTION AGREEMENT WITH CHESAPEAKE OPERATING INC.**

Chesapeake Operating Inc. representative Zach Corbin was present to explain that Chesapeake had encroached into River Oaks city limits with their pipelines in error and requested that a formal contract be drawn up between Chesapeake Operating and the City of River Oaks.

**Mayor Pro-Tem Gordon moved, seconded by Council Member Minter, to enter into a temporary ingress/egress construction agreement with Chesapeake Operating Inc. All voted "Aye."**

**5. BUDGET WORKSHOP # 2 WITH THE CITY COUNCIL OVER THE 2010-2011 FISCAL YEAR GENERAL OPERATING BUDGET**

CS Gregory reviewed the updated "Adjusted" budget, which included the changes that had been requested during the previous budget workshop.

Council Member Crews suggested that the discussion regarding the Fire Department's budget be delayed until the Fire Department would be able to have a representative present to answer questions and concerns.

Council Member Crews asked if the proposed budget deficit of \$68,572.00 included all costs. Office Manager Bagwell responded that it included all costs except the group medical insurance because it is under a current contract and any anticipated increases at contract renewal are unknown at this time.

Council Member Holland arrived at 5:56 p.m.

CS Gregory announced that the City is very likely to receive a SECO grant rebate that was recently applied for. CS Gregory also stated that TML had contacted the City and stated that they would be issuing a refund for approximately \$15,000.00 to the City for overpayment on workman's compensation coverage.

Mayor Pro-Tem Gordon and Council Member Crews asked if it would be possible to have the revenues and expenses for the Community Center itemized by rentals, events, and promotions. CS Gregory stated that he would look into it.

Mayor Pro-Tem Gordon and Council Members Crews and Holland stated that while they believe City staff deserves salary increases they also have reservations about issuing the proposed 3% increase given the current economic climate. Council Member Holland asked when the last pay increase was issued to City staff. CS Gregory stated that a 2% increase was given in April of 2009.

Mayor Earwood reminded Council that the budget will need to be re-evaluated at the six month point of the fiscal year and those additional adjustments could be made then. Mayor Earwood also asserted how critical City staff retention is to the long-term budget of the City. Mayor Earwood asked how much the proposed 3% salary increase would impact the budget. CS Gregory stated that it would increase the City's expenses by approximately \$22,000.00.

Mayor Pro-Tem Gordon stated that she was not fully comfortable with the proposed tax rate increase to \$.86 per \$100 of assessed value. Mayor Pro-Tem Gordon also stated that she is not averse to running a slightly higher deficit budget if it is necessary to control the costs that directly impact the citizens. Mayor Earwood asked how much revenue each one-cent of property tax increases would generate for the City. CS Gregory stated that at the historical collection rate of 96%, each one-cent of increase would generate approximately \$20,000.00 in revenue. Mayor Earwood stated that with the recent decrease in property values within the city that it is necessary to increase the tax rate in order to collect the equivalent revenue as was collected in the previous year.

CS Gregory announced that the City of Fort Worth has increased the sewer rate that they charge the City of River Oaks by approximately 12% and that the increase needs to be passed on to the utility customer. After much discussion the general consensus was to reduce the expenditures on the sludge lagoon replacement project at the filter plant, and postpone the proposed drainage access fee on utility accounts until at least January 2011.

Mayor Earwood reviewed the discussion of the meeting and the general consensus was that the tax increase to the rate of \$.86 per \$100.00 of assessed value was a realistic figure; 2% salary increases for City Staff were more desirable than the originally proposed 3%; and that the Fire Department's budget will need to be discussed when there is a Fire Department representative present at the next budget meeting.

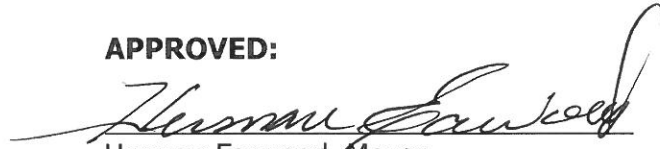
6. ACTION IF ANY FROM BUDGET WORKSHOP

**None.**

7. **ADJOURN**

**At 7:47 p.m. Council Member Crews moved, seconded by Mayor Pro Tem Gordon, to adjourn the meeting. All voted "Aye."**

**APPROVED:**

  
Herman Earwood, Mayor

**ATTEST:**

  
Marvin Gregory, City Secretary