

CITY OF SULPHUR SPRINGS, TEXAS

**REGULAR MEETING OF THE
CITY COUNCIL**

AUGUST 1, 2017

7:00 p.m.

Mayor John Sellers called the special meeting of the Sulphur Springs City Council to order at 7:00 p.m. The following council members and staff were present:

Mayor John Sellers
Councilman Craig Johnson
Councilwoman Freddie Taylor
Councilwoman Emily Glass
Councilman Dan Froneberger

Absent: Mayor Pro Tem Oscar Aguilar
Councilman Clay Walker

Staff: Marc Maxwell, City Manager
Gale Roberts, City Secretary
Jim McLeroy, City Attorney
Peter Karstens, Finance Director
Gordon Frazier, HR Director
Tory Niewiadomski, Community Development Director
Donnie Gaddis, SSPD

PLEDGE AND INVOCATION

Mayor Sellers led in the pledge of allegiance to the United States Flag, the Pledge to the Texas Flag, and Councilman Taylor led the invocation.

PRESENTATIONS, ANNOUNCEMENTS AND PROCLAMATIONS

City Manager Maxwell introduced two Italian film makers that he met at the downtown plaza as Italian director and screenwriter Matteo Petrelli and actor and screenwriter Daniel Bondi. They stayed for the meeting for a closer look at possible challenges they could encounter as the subject of their movie is about small towns and cities in Texas.

MANAGER'S REPORT

LOCUST STREET – This project is nearly completed. Tomorrow Westbrook Concrete Contractors will make the final pour. All that we lack after that is a little clean-up. I expect this project to be completed by next month's meeting.



MOORE STREET - Utility work is completed on Moore Street. The water main, sewer main and gas main have all been replaced. The concrete contractor, Highway 19 Construction LLC, is about to begin soil stabilization and concrete construction.

WASTEWATER TREATMENT PLANT - Work continues at the wastewater treatment plant. The concrete work for the three large primary clarifiers is completed and they are now being filled with water to ensure that they don't leak.

CLAIMS – We did not have any liability claims in July, but we did have one workers' compensation claim for an employee who injured his back. We expect him to return to work in about a week.

Also, a Freightliner towing a trailer struck the covering for the fuel system at the service center (1313 N. Hillcrest) causing structural damage. We have submitted a claim to the trucking carrier for damages and loss of use.

REVENUES AND EXPENDITURES – Finance Director, Peter Karstens will not present a year-to-date summary of revenues and expenditures since this is the first day of August, and we have not had enough time to compile the year to date financial results.

Elsewhere around the city, employees:

- Conducted 15 building inspections, 11 electrical inspections, 9 plumbing inspections, 2 mechanical inspections, and issued 14 building permits.
- Patched 638 potholes.
- Made 14 major street repairs following utility repairs.
- Replaced 48 faded stop signs.
- Repaired light beacon at the Municipal Airport.
- Treated wastewater effluent to a total suspended solids rating of 1.01 mg/L.
- Repaired 9 broken water mains.
- Replaced 14 water meters.
- Replaced 3 fire hydrants and repaired 1.
- Unstopped 19 sewer mains.

- Repaired 11 sewer mains.
- Washed 89,000 feet of sewer mains.
- Inspected and tested several segments of sewer main.
- Inspected Lake Sulphur Springs' dam.
- Flushed 36 dead-end water mains.
- Repaired several items at the water treatment plant and the wastewater treatment plant.
- Responded to 138 fire/rescue calls including 1 structure fire and 1 county fire.
- Issued 3 tall grass citations and issued 54 notices.
- Performed preventative maintenance on 82 fire hydrants.
- Sold 1,715 gallons of AvGas and 5,001 gallons of JetA fuel.
- Began top-dressing the soccer fields.
- Hosted two Dixie softball tournaments.
- Sprayed for army worms at Coleman Park.
- Checked out 3,726 books and 497 eBooks from the Library.
- Made 55 arrests, wrote 652 traffic citations, responded to 38 accidents, and recorded 58 offenses.
- Made 3 felony arrests on the special crimes unit.
- Achieved a 34% adoption rate at the animal shelter.
- Responded to 177 animal control calls.

DISCUSSION/ACTION ON THE CONSENT AGENDA

Consider for approval the special City Council meeting minutes of July 11, 2017; the Planning and Zoning Commission meeting minutes of July 17, 2017; and the Zoning Board of Adjustments and Appeals meeting minutes of July 18, 2017. There was no one to speak to the issue. Councilman Johnson made a motion to approve the minutes as presented. Councilwoman Glass seconded and the vote was unanimous.

The motion carried.

At this time Mayor Sellers moved up Item 14 as a visitor had to return to Houston.

DISCUSSION/ACTION ON RESOLUTION NO. 1133 SUPPORTING BEF FOODS APPLICATION FOR AN ENTERPRISE ZONE PROJECT

EDC Executive Director Roger Feagley and Mr. Tam Vo with Grant Thornton, BEF Foods consultant, were available to answer any questions. There is no financial impact on the City as the Enterprise Zone Project is sponsored by the State of Texas. They plan to add a macaroni and cheese line which should increase the tax base approximately \$13,000,000.00. There was no one else to speak to the issue. Councilman Taylor moved

to approve the resolution as presented. Councilman Johnson seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2708, AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SULPHUR SPRINGS, TEXAS COMBINATION TAX AND SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2017; TO PROVIDE FUNDS FOR THE PURPOSE OF PAYING CONTRACTUAL OBLIGATIONS INCURRED TO FUND WATER AND SEWER SYSTEM IMPROVEMENTS AND ACQUISITION OF EQUIPMENT AND VEHICLES FOR MUNICIPAL DEPARTMENTS, ANDD FOR COSTS OF ISSUANCE OF THE CERTIFICATES OF OBLIGATION; BEARING INTEREST AT THE RATES SET FORTH THEREIN; PRESCRIBING THE FORM OF CERTIFICATES OF OBLIGATION; LEVYING AD VALOREM TAXES AND PLEDGING SURPLUS NET REVENUES OF THE CITY'S WATERWORKS AND SEWER SYSTEM FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE CERTIFICATES OF OBLIGATION; MAKING CERTAIN OTHER COVENANTS OF THE CITY WITH RESPECT TO THE CERTIFICATES OF OBLIGATION, THE FUNDS FROM WHICH SAID CERTIFICATES OF OBLIGATION ARE TO BE PAID AND THE PROJECTS TO BE FUNDED WITH THE CERTIFICATES OF OBLIGATION; AUTHORIZING EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AGREEMENTS FOR MUNICIPAL ADVISORY AND BOND COUNSEL SERVICES; AWARDING SALE OF CERTIFICATES OF OBLIGATION; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO

Finance Director Karstens presented the staff report. Mark McLiney, Senior Managing Director, SAMCO Capital Markets, Inc., presented the bids and recommended the low bidder Citygroup Global Markets, Inc. with a fixed interest rate of 2.51%. Leroy Grawunder, Jr., McGraw, Parkhurst & Horton, LLP, was also available to answer any questions. There was a brief discussion. Councilman Taylor moved to adopt the ordinance on the second and final reading and award the bid to Citygroup Global Markets, Inc. Councilman Froneberger seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2703 AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF SULPHUR SPRINGS, TEXAS, GENERAL OBLIGATION REFUNDING BOND, SERIES 2017, TO PROVIDE FUNDS FOR

THE PURPOSE OF REFUNDING OUTSTANDING OBLIGATIONS OF THE CITY ISSUED FOR VARIOUS PUBLIC IMPROVEMENTS AND FOR PAYING COST OF ISSUANCE OF THE BOND; BEARING INTEREST AT THE RATES HEREINAFTER SET FORTH; PRESCRIBING THE FORM OF BOND; MAKING CERTAIN OTHER COVENANTS OF THE CITY IN REFERENCE TO THE BOND AND THE FUNDS FROM WHICH SAID BOND IS TO BE PAID; AUTHORIZING EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AGREEMENTS FOR THE MUNICIPAL ADVISORY AND BOND COUNSEL SERVICES, AWARDED SALE OF SAID BOND; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO

Finance Director Karstens presented the staff report. Mark McLiney, Senior Managing Director, SAMCO Capital Markets, Inc., presented the bids and recommended the low bid from Texas Independent Bank. Leroy Grawunder, Jr., McGraw, Parkhurst & Horton, LLP, was also available to answer any questions. There was a brief discussion. There was no one else to speak to the issue. Councilman Taylor moved to adopt the ordinance on the second and final reading and awarding bid to Texas Independent Bank. Councilman Froneberger seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2704 FOR ZONE CHANGE REQUEST BY OWNERS JOHN AND MARCIA DAVIS TO REZONE PROPERTY LOCATED AT 312 COLLEGE STREET, BEING FURTHER DESCRIBED AS LOT 16 OF BLOCK 51, FROM MULTI-FAMILY (MF) TO SINGLE FAMILY (SF-6)

Community Development Director Niewiadomski presented the staff report. There was no one else to speak to the issue. Councilwoman Glass moved to adopt the ordinance on the second and final reading. Councilman Johnson seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF READING OF ORDINANCE NO. 2705 FOR ZONE CHANGE REQUEST BY OWNERS MONTIE AND VIVIAN MONZINGO TO REZONE PROPERTY LOCATED AT 333 COLLEGE STREET, BEING FURTHER DESCRIBED AS LOTS 3, 4, S. PT. OF LOT 11 OF BLOCK 52, FROM MULTI-FAMILY (MF) TO SINGLE FAMILY (SF-6)

Community Development Director Niewiadomski presented the staff report. There was no one else to speak to the issue. Councilman Johnson moved to adopt the ordinance on the second and final reading. Councilwoman Glass seconded and the vote was

unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2706 FOR ZONE CHANGE REQUEST BY OWNER CHARLES MOORE TO REZONE PROPERTY LOCATED AT 317 AND 319 JEFFERSON STREET, BEING FURTHER DESCRIBED AS LOTS 2-10 AND 2-20 OF BLOCK 55, FROM LIGHT INDUSTRIAL (LI) TO LIGHT COMMERCIAL (LC)

Community Development Director Niewiadomski presented the staff report. There was no one else to speak to the issue. Councilwoman Glass moved to adopt the ordinance on the second and final reading. Councilman Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2707 DESIGNATING A CERTAIN AREA AS A COMMERCIAL-INDUSTRIAL REINVESTMENT ZONE

Community Development Director Niewiadomski presented the staff report. There was no one else to speak to the issue. Councilman Johnson moved to adopt the ordinance on the second and final reading. Councilman Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2709, THE FIRST AMENDMENT TO THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR THE TAX INCREMENT REINVESTMENT ZONE #1 TO AMEND THE PLAN TO REFLECT CURRENT NEEDS

Community Development Director Niewiadomski presented the staff report. There was no one else to speak to the issue. Councilman Johnson moved to adopt the ordinance on the second and final reading. Councilman Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2710, A REZONING REQUEST BY WAYNE COOPER FOR PROPERTY LOCATED AT 792 WILDCAT WAY, BEING FURTHER DESCRIBED AS LOT 5 OF BLOCK 232, FROM SINGLE FAMILY TO HEAVY COMMERCIAL

Community Development Director Niewiadomski presented the staff report. The owner is requesting to rezone approximately 46 acres of vacant property located on the north side Of Wildcat Way between Majors Street and Vaughn Road from Single Family to

Heavy Commercial. This request conforms to the Land Use Plan. Sewer and water utilities are present along Wildcat Way, but any future development would be required to meet City Standards for development. Staff recommends approval with the following stipulations:

- 1) That future development adhere to pro rata agreements 395 and 397 that were approved in January 2011 and remain in effect until January 2021.
- 2) At the time of development, certain infrastructure upgrades may be necessary to ensure that development can occur.

There was a brief discussion. Owner Wayne Cooper was available to answer any questions. There was no one else to speak to the issue. Councilman Johnson moved to approve the ordinance on the first reading with the noted stipulations. Councilman Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON A MOTION TO EXTEND THE CASE MANAGEMENT CONTRACT AND COLLECTION CONTRACT WITH GHS

City Manager Maxwell presented the staff report. Dave Graves with GHS was available to answer any questions. The first contract is for case management software and ancillary services that go with that. The present 2-year contract expires September 30. Staff proposed another 2-year contract. The cost for this service will rise from \$16,000 per year to \$17,500 per year. After working through some initial issues with the case management system, staff is very pleased with its performance. The second contract is for collection services and does not expire until 2018. However, in an effort to get both contracts in sync staff proposes to adopt a new 2-year contract which will expire concurrently with the case management contract. None of the terms of the contracts have changed except the dates. We have been pleased with GHS' collection services. There was a brief discussion. There was no one else to speak to the issue. Councilman Taylor moved to extend the contracts. Councilman Johnson seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PROPOSALS AND AWARD OF CONTRACT FOR REINSURANCE FOR THE CITY OF SULPHUR SPRINGS EMPLOYEE INSURANCE PROGRAM

Finance Director Karstens presented the staff report. The City received proposals from two reinsurance carriers, Blue Cross and Highmark. We received three letters stating "our rates would not be competitive". Highmark gave us the lowest proposal as well as a

firm bid with fixed cost of \$366,314 at \$75,000 and \$344,341 at \$80,000. Staff recommends the Highmark bid at the \$80,000 level specific stop-loss for \$344,341 fixed costs with no changes in the internal rates. There was a general discussion. There was no one to speak to the issue. Councilman Taylor moved to accept the proposals and award the contract to Highmark with the stop-loss at \$80,000. Councilman Johnson seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON BOARD APPOINTMENT TO THE DOWNTOWN REVITALIZATION BOARD

There was a brief discussion. Mayor Sellers suggested Dr. Scott McDearmont to serve on the board. There was no one else to speak to the issue. Councilman Taylor moved to approve the appointment of Dr. McDearmont. Councilman Froneberger seconded and the vote was unanimous.

The motion carried.

VISITORS AND PUBLIC FORUM

None.

ADJOURN

With all business complete the meeting was adjourned at 7:28 p.m.