

**CITY OF SULPHUR SPRINGS, TEXAS
REGULAR MEETING OF THE
CITY COUNCIL**

August 6, 2019

7:00 p.m.

Mayor Norman R. Sanders called the regular meeting of the Sulphur Springs City Council to order at 7:00 p.m.

The following council members and staff were present:

Mayor Norman R. Sanders
Mayor Pro Tem Erica Armstrong
Councilman Jimmy D. Lucas
Councilman Jeff Sanderson
Councilman John A. Sellers

Absent: Councilman Freddie Taylor
Councilman Doug Moore

Staff: Marc Maxwell, City Manager
Gale Roberts, City Secretary
Jim McLeroy, City Attorney
Gordon Frazier, HR Director
Jason Ricketson, Chief of Police
Lesa Smith, Finance Director

CALL TO ORDER

Mayor Sanders called the meeting to order at 7PM.

PLEDGE AND INVOCATION

Mayor Sanders led in the pledge of allegiance to the United States Flag and the Pledge to the Texas Flag, and the invocation was led by Mayor Pro Tem Armstrong.

PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS

There were none.

MANAGER’S REPORT

PACIFIC PARK DRAINAGE PROJECT – This project is progressing well. This project is finished. The barricades will remain in place until Friday so that the concrete will cure a bit more before we subject it to traffic. Allowing traffic on the concrete before it has had sufficient time to cure would lead to cracking and premature failure. The estimated final cost of the project is \$43,000, well under the \$85,000 budget.

SUNSET STREET – This project is on hold until we can construct the Connally/League intersection. We are trying to get that intersection open before the school year begins.

CONNALLY STREET – The Capital Construction Division is constructing the Connally/League intersection at one end of the street and the drainage system at the other end of the street.

WASTEWATER TREATMENT PLANT – Today was a milestone day at the wastewater treatment plant. We began testing the new aerators today. Tonight we will fill the aeration basin with treated effluent, and we will begin a 5-day aeration test tomorrow. After that we will begin treating wastewater with the new aerators. This marks a turning point in the project. Almost all of the work remaining is street construction, sidewalks and grass. This has been an \$18 million project. We expect to come in a little under budget. We expect to be finished in January.

CLAIMS – We did not have any workers’ compensation claims in July. We had one liability claim from a driver who claimed damages to their vehicle after driving around city equipment in a work zone. TML denied the claim.

2020 STREET IMPROVEMENT PROGRAM (S.I.P.) – Staff has prioritized the list of streets to be paved in the 2020 S.I.P. These are all of the streets we will be able to pave with the \$5 Street Maintenance fee:

Project	Segment	Length	History	Notes
Asphalt Repair	Various soft spot repairs	1000'		Mill & inlay
Barbara	Tate to Camp	649'	PMS 2004	mill
Cedar Springs	Hollie and Cedar Springs	3364'	PMS 2004	
CMH Rd.	Hwy 67 to I-30	2535'	seal coat 1993	
Debord	Park to Cemetery	570'	PMS 2005	CTS
Graham	Gilmer to Oak	338'	1995	CTS
Harred	Alabama to College	470'	Slurry 1998	mill
Lake Shore	Jill to Lewis	1362'	PMS 2003	mill-gutter

Linda	Fisher to Gilmer	1410'	PMS 2004	CTS
Longino	Middle to Park	1452'	PMS 2007	CTS
Lou and Jonas		2650'	Slurry 1998	
Middle	Jackson to Church	1140'	PMS 2007	CTS
Mockingbird	Shannon to Posey	3560'	HMAC 1998	Mill & inlay
Myndi	Helm to dead-end	898'	Slurry 1998	
Nicholson	Locust to Moore	1072'	PMS 2005	mill
Oak Grove	Jefferson to End	702'	PMS 2004	mill
Park Cir.	Bill Bradford to all	1563'	PMS 2006	CTS
Plano/Pampa	Texas to Brinker	1362'	PMS 2002	mill
Rosemont	Jefferson to Houston	1072'	PMS 2004	CTS
Seventh	RR to Park	1584'	PMS 2005	CTS

REVENUES AND EXPENDITURES – Finance Director Lesa Smith will give a year-to-date report of revenues and expenditures.

Elsewhere around the city, employees:

- Made 13 street repairs following utility repairs.
- Patched 45 potholes.
- Replaced 6 street signs, 2 Wrong Way signs and installed 2 Slow Children Playing signs.
- Burned the brush pile at Hilltop.
- Repaired the belt press at the wastewater treatment plant.
- Repaired the generator at Coleman water tower.
- Repaired Cantex lift station.
- Treated wastewater effluent to a daily average total suspended solids (TSS) reading of .68 mg/L, less than one-tenth of the maximum level.
- Repaired 14 water main ruptures.
- Replaced 18 water meters.
- Unstopped 14 sewer mains.
- Repaired 6 sewer mains.
- Flushed 35 dead-end water mains.
- Drained and washed the Carter Street water tower.
- Treated 161 million gallons of potable water.
- Responded to 178 fire/rescue calls including 1 vehicle fire and 4 grass fires.
- Performed 25 fire inspections and reviewed 25 pre-fire plans.
- Performed preventative maintenance on 72 fire hydrants.

- Conducted 34 building inspections, 26 electrical inspections, 16 plumbing inspections, 6 mechanical inspections, and issued 32 building permits.
- Checked out 4,629 items from the library.
- Sold 2,196 gallons of AvGas and 11,598 gallons of JetA fuel.
- Responded to 2,911 calls for police, worked 22 accidents, wrote 605 citations, made 87 arrests and recorded 71 offences.
- Responded to 203 animal control calls and achieved an adoption rate of 34%.
- Made 13 felony arrests in the special crimes unit.
- Seized 8.9 pounds of Methamphetamine.

DISCUSSION/ACTION ON THE CONSENT AGENDA

Consider for approval the regular City Council meeting minutes of July 2, 2019 and Downtown Revitalization Board meeting minutes of June 11, 2019. There was no one to speak to the issue. Mayor Pro Tem Armstrong made a motion to approve the minutes as presented. Councilman Sellers seconded the motion and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2747, REZONING FOR ANNEXATION OF PROPERTY GENERALLY REFERRED TO AS PIONEER BUSINESS PARK AND ADJACENT PROPERTIES LOCATED ON THE WEST SIDE OF CMH ROAD BETWEEN BUSINESS 67 (MAIN) AND I-30 FRONTAGE ROAD CONSISTING OF 105.05 ACRES, FROM AGRICULTURE TO HEAVY COMMERCIAL

When property is annexed into the city limits it is automatically zoned Agriculture. This ordinance assigns the proper zoning for this particular piece of property. The Planning and Zoning Commission conducted a public hearing and recommended approval of the zone change. There was no one to speak to the issue. Councilman Sellers moved to adopt the ordinance on the second and final reading. Councilman Lucas seconded the motion and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2748, REZONING FOR ANNEXATION OF PROPERTY GENERALLY REFERRED TO AS HERITAGE BUSINESS PARK AND ADJACENT PROPERTIES LOCATED EAST OF LOOP 301 ON HERITAGE PARKWAY, NORTH OF THE RAILROAD TRACKS, WEST OF CR 3502 CONSISTING OF 117.33 ACRES, FROM AGRICULTURE TO HEAVY COMMERCIAL

When property is annexed into the city limits it is automatically zoned Agriculture. This ordinance assigns the proper zoning for this particular piece of property. The Planning and Zoning Commission conducted a public hearing and recommended approval of the zone change. There was no one to speak to the issue. Councilman Sellers moved to adopt the ordinance on the second and final reading. Councilman Lucas seconded the motion and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2749, AMENDING THE FEE SCHEDULE FOR COMMUNITY DEVELOPMENT TO COMPLY WITH HOUSE BILL 852

House Bill 852 was signed into law at the end of last month and requires Cities to immediately review the process by which residential building permit fees are calculated. Specifically, the bill provides that: (1) in determining the amount of a building permit or inspection fee required in connection with the construction or improvement of a residential dwelling, a city may not consider: (a) the value of the dwelling; or (b) the cost of constructing or improving the dwelling; and (2) a city may not require the disclosure of information related to the value of or cost of constructing or improving a residential dwelling as a condition of obtaining a building permit except as required by the Federal Emergency Management Agency for participation in the National Flood Insurance Program. There is no grace period for cities to change their fee schedules. Staff has reviewed all building permit fees that are in conflict and have proposed to use fees based on square footage for residential remodel projects and a flat fee for trades such as electrical, plumbing, and mechanical related residential projects. All other parts of the fee schedule appear to not be in conflict with this law. There was no one to speak to issue. Councilman Lucas moved to adopt the ordinance on the second and final reading. Councilman Sanderson seconded the motion and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2750, AMENDING ZONING ORDINANCE NO. 2050, ARTICLE 2, DEFINITIONS, SECTION 2.200, TO CLARIFY THE DEFINITION OF TRAVEL CENTERS AND TRUCK STOP CENTERS

Staff was recently approached about developing a property for a gas station which includes pumps for semi-trucks but would not include overnight parking for trucks or primarily be used for heavy trucks. The issue is the difference in a filling station which is allowed by right in light commercial zoning district and travel centers/ truck stop centers which are allowed by right in light industrial districts. Staff found a definition for travel center/ truck stop center in the Zoning Ordinance and reads as follows:

Travel Center / Truck Stop Center: A business which combines two or more of the following uses:

- a) Retail motor fuel sales
- b) Restaurants or cafes
- c) General retail sales
- d) Parking for multiple trucks, truck tractors, and or trailers and or road tractors and or trailers.
- e) Sleeping, bath, and other overnight facilities; and which offers such services in a manner designed to meet the needs not only of passenger car operators, but also the operators of trucks, truck tractors and trailers and or road tractors and trailers. Passenger car, truck tractor and truck road tractor and trailers are used herein shall have the meaning given such term in 541.201 of the Texas Transportation Code. List in Heavy Commercial. Added by Ordinance 2227. Moved from Heavy Commercial to Light Industrial per Ordinance 2282.

In reading this definition, if a place sells fuel and has any kind of general retail sales, it is considered a travel center/ truck stop center. Essentially, this would indicate that any gas station in town would fall under this category as they all have some form of retail associated with them. Staff does not believe this was the intent of the ordinance, however, it may be time to clean up the language and amend the zoning ordinance by altering the definition of travel center/ truck stop center.

HISTORY:

In 1999, (Ordinance 2227) was approved to create the definition listed above and to allow it under heavy commercial districts. The minutes indicated a desire for a planned project for Pilot Corporation and a travel center. The representatives of Pilot asked that the use be allowed in light commercial, however, it was approved in heavy commercial with a 5-2 vote.

In 2001 (Ordinance 2282) was approved to move travel center/ truck stop center from heavy commercial to light industrial zoning. The issue was revisited due to travel center looking to locate in town and believed that it would be more appropriate to move the use to Light Industrial. It was indicated that if approved, the City would initiate zone changes for Pilot and Crossroads. The vote was unanimous to approve the ordinance.

The Planning & Zoning Commission considered the issue at the June 17, 2019 meeting and unanimously recommended the City Council amend the definition of Travel Center/ Truck Stop Center and consider the following language:

Travel Center / Truck Stop Center: A business tailored for heavy truck traffic which includes overnight parking for multiple trucks, truck tractors, or road tractors or trailers and includes but is not limited to general retail sales, fuel sales,

restaurants or cafes, as well as providing sleeping, bath, and other overnight facilities. Passenger car, truck tractor and truck road tractor and trailers are used herein shall have the meaning given such term in 541.201 of the Texas Transportation Code. List in Light Industrial.

There was no one to speak to the issue. Councilman Lucas moved to adopt the ordinance on the second and final reading. Mayor Pro Tem Armstrong seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1173, AUTHORIZING THE CITY MANAGER TO EXECUTE MASTER AGREEMENT WITH ENTERPRISE FLEET MANAGEMENT TO FINANCE AND MANAGE THE REPLACEMENT OF THE CITY'S FLEET

Councilman Sanderson moved to remove the item from the table. Councilman Lucas seconded and the vote was unanimous to remove the item from the table.

The motion carried.

City Manager Maxwell resented the staff report. The City's current fleet consists of 21 emergency vehicles (ERV) and 41 non-emergency vehicles (Non-ERV). 60% of the Non-ERV are over 10 years old and nearing the end of their useful life. 7 of the 41 are over 19 years old. After several meetings with Enterprise Fleet Management and extensive in-house research, analysis, and discussion, staff is recommending that the City partner with Enterprise Fleet Management to get the City back on track with safe and reliable vehicles. The combination of the lease payments, maintenance & fuel savings, and higher resale values will result in significant savings over time. Currently, the City replaces 3 patrol cars per year. Replacement of Non-ERVs are determined by department requests provided to the finance department in April of every year. In the past, Non-ERV vehicle purchases have been financed over 7 years. Current annual debt payments related to vehicle and equipment purchases amounts to \$756,105. Contracting with Enterprise would allow the City to eventually eliminate debt associated with vehicle purchases. Partnering with Enterprise will allow for predictable budgeting year after year. This year, \$110,000 was budgeted for patrol vehicles but the order was cancelled due to the vehicles not meeting bid specifications. The agreement with Enterprise will enable Chief Ricketson to build the vehicles to department specifications in advance to avoid falling behind on replacement. Patrol vehicles will be placed on a 3-year life cycle, while all other vehicles will have a 4-year life cycle. Rami Saad with Enterprise Fleet Management will be available to answer questions. Preliminary numbers show that the impact of the lease agreement on the current 2019 budget to replace 18 vehicles would be a general fund expenditure of \$28,122 and

revenue of \$38,500 from the sale of the current fleet. Net impact on the budget would be a surplus of \$10,378. Combined with the unused patrol car budget of \$110,000, \$120,378 would be carried forward into the fund balance for next year. The enterprise fund would have an expenditure this year of \$12,810 and revenue from the sale of the current fleet of \$11,000. Net impact on the enterprise fund budget would be \$1,810 to replace 9 vehicles.

Other areas of budgetary impact will include maintenance and fuel expenses. Over time, we should see a reduction in these two types of expenses which will allow for eventual budget reduction. Early numbers show potential reduction of expenses by 25-50%. Last year, \$109,256 was spent on vehicle maintenance and repair. If the City Council chooses not to enter into an agreement with Enterprise, the City will need to include the following replacements in the 2020 budget:

- \$260,000 for the replacement of 6 patrol vehicles
- \$25,000 for the replacement of 1 CID vehicle (2010)
- \$25,000 for the replacement of 1 Code Enforcement Vehicle(2003)
- \$55,000 for the replacement of 2 water/sewer vehicles(2008/ 2009)

Staff recommends approval of the resolution, authorizing the City Manager to execute an agreement with Enterprise Fleet Management for the lease of city vehicles. Councilman Lucas moved to approve the resolution as presented. Councilman Sanderson 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 EMPLOYEES HEALTH INSURANCE PROGRAM

Human Resources Director Frazier presented the staff report. Staff requested proposals for a Specific Stop Loss Attachment Point of \$80,000 which is the same as this year. Proposals at other specific stop loss levels were also requested. At \$75,000, the lowest fixed costs would be Blue Cross. At the Specific Stop Loss Point of \$80,000 the lowest fixed cost is Highmark. At the \$85,000 point, the lowest fixed cost would be Highmark. However, as mentioned above, there are other factors to consider that are specifically related to risk. As our current carrier, Highmark is able to propose a plan on a 72/12 contract term. This means that they will cover claims back 60 months, and forward for the next 12 months. All other proposals will cover claims back for 12 months. While rarely needed, the coverage back 60 months puts the City at a lower risk for unexpected claims from previous years. Another important factor to consider is the annual attachment point. The plan with the lowest annual attachment point is the Highmark \$80,000 stop loss plan with an annual attachment point of \$1,210,081. This means that the maximum the City would pay for total claims would be \$1,210,081. Anything over this amount would be

covered by the reinsurance carrier. The same plan also has the lowest maximum plan cost which is the annual attachment point plus fixed costs. Staff recommends awarding the contract to Highmark at the \$80,000.00 level specific stop loss. There was a brief discussion. There was no one else to speak to the issue. Councilman Sellers moved to accept the proposals and award the contract to Highmark at the \$80,000.00 level specific stop loss. Mayor Pro Tem Armstrong seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON COMMUNITY FACILITIES CONTRACT FOR TRAVEL TIME RV

City Attorney McLeroy presented the staff report. Staff recommends that the City Manager be authorized to execute a Community Facilities Contract provided that the following information be submitted and approved by the City Engineer:

1. A financial guarantee be furnished to the City for the proposed public sewer and water improvements.
2. The 1.75% inspection fee be paid.
3. The easements be recorded for the public sewer and water extension and copies of the easements be submitted to the City.

There was a brief discussion. There was no one else to speak to the issue. Councilman Lucas moved to approve the Community Facilities Contract contingent on meeting requests by the City Engineer. Councilman Sellers seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON COMMUNITY FACILITIES CONTRACT FOR LANDMARK SOUTHSIDE STORAGE WILDCAT WAY

City Attorney McLeroy presented the staff report. Staff recommends that the City Manager be authorized to execute a Community Facilities Contract provided that the following information be submitted and approved by the City Engineer:

1. A financial guarantee be furnished to the City for the proposed public sewer and water improvements.
2. The 1.75% inspection fee be paid.
3. The easements be recorded for the public sewer and water extension and copies of the easements be submitted to the City.

There was a brief discussion. There was no one else to speak to the issue. Mayor Pro Tem Armstrong moved to approve the Community Facilities Contract contingent on

meeting requests by the City Engineer. Councilman Lucas seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1176 TO AUTHORIZE SUBMISSION FOR AN APPLICATION FOR TxDOT SAFE ROUTES TO SCHOOL - INFRASTRUCTURE GRANT FOR TEXAS AND BELL STREETS

Finance Director Smith presented the staff report. In February 2019 TxDOT announced a statewide Call for Projects with non-motorized infrastructure funding sources being available. One of the programs is the Safe Routes to School (SRTS) infrastructure program which funds projects within 2 miles from K-8 schools. \$8.7 million is available statewide and will be competitively selected. In 2008, the SRTS Program was established to enable and encourage safe bicycling and walking among schoolchildren. **The SRTS funds are 100% federal funds, meaning no local match is required.** Funds can be spent on bicycle infrastructure improvements, shared use paths, sidewalk improvements, and infrastructure related projects to improve safety for non-motorized transportation. There was a brief discussion. There was no one else to speak to the issue. Mayor Pro Tem Armstrong moved to approve the resolution as presented. Councilman Sellers seconded and the vote was unanimous.

The motion carried.

VISITORS AND PUBLIC FORUM

Barbara Williams invited the City Council to attend a reception celebrating the 50th Anniversary of the Hopkins-Rains Retired School Personnel on September 10th from 10:00 a.m. until 11:30 a.m. at the Venue219 located at 219 Main Street in Sulphur Springs, Texas.

Challyan Moore addressed the City Council regarding Beckham Street repairs.

Jay Julian thanked Marc Maxwell for the presented the graph.

Jimmy D. Lucas requested prayers for the family of “Big Dave” Davidson.

John Lambert commented on the Manager’s Monthly report.

AN EXECUTIVE SESSION WILL BE CONDUCTED IN ACCORDANCE WITH TEXAS GOVERNMENT CODE, SECTION 551.071, CONSULTATION WITH ATTORNEY, REGARDING PENDING OR CONTEMPLATED LITIGATION

Councilman Sellers moved to adjourn into Executive Session at 7:40 p.m. Councilman Sanderson seconded and the vote was unanimous.

The motion carried.

RECONVENE

Mayor Sanders reconvened the meeting at 8:04 p.m.

DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM

No action was taken.

ADJOURN

With all business complete the meeting was adjourned at 8:06 p.m.