

**CITY OF SULPHUR SPRINGS, TEXAS**

**REGULAR MEETING OF THE**

**CITY COUNCIL**

**JUNE 2, 2009**

**7:00 p.m.**

Mayor Aguilar 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 Oscar Aguilar  
Mayor Pro Tem Gary Spraggins  
Councilman Craig Johnson  
Councilman Clay Walker  
Councilman Freddie Taylor  
Councilman Chris Brown  
Councilman Charles Oxford

Absent: Marc Maxwell, City Manager

Staff: Gale Roberts, City Secretary  
James Litzler, Acting City Attorney  
Peter Karstens, Director of Finance  
Johnny Vance, Director of Community Development  
Gordon Frazier, Director of Human Resources  
Phyllis Rogers, Municipal Court Judge  
Norman Colyer, Police Dept. Captain  
Robert Lee, Assistant Director of Utilities

**PLEDGE AND INVOCATION**

Mayor Aguilar led in the pledge of allegiance and Councilman Taylor led in the invocation.

**PRESENTATION OF PLAQUE TO OUTGOING COUNCILMAN GARRY JORDAN**

Mayor Aguilar presented a plaque to outgoing councilman Garry Jordan.

**OATHS OF OFFICE WILL BE GIVEN TO MAYOR OSCAR AGUILAR AND COUNCILMAN ELECT CRAIG JOHNSON**

The Oath of Office was given to Mayor Oscar Aguilar and then to councilman elect Craig Johnson by City Secretary Gale Roberts.

**CONSENT AGENDA**

The following items on the Consent Agenda were reviewed: Consider for approval special City Council budget workshop session minutes of April 7, 2009; regular City Council meeting minutes of May 5, 2009; special City Council meeting minutes of May 18, 2009; the Downtown Revitalization Board meeting minutes of May 19, 2009; the Economic Development Corporation meeting minutes of April 27, 2009; and the City of Sulphur Springs Tax Increment Finance Reinvestment Zone Number One board meeting minutes of April 21, 2009 and May 12, 2009. There was no one to speak to the issue. Mayor Pro Tem Spraggins moved to approve the consent agenda as presented. Councilman Oxford seconded the motion and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING FOR THE SECOND AND FINAL READING OF ORDINANCE NO. 2558 APPROVING A PROJECT AND FINANCING PLAN FOR THE CITY OF SULPHUR SPRINGS TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER ONE**

This ordinance will adopt the Project and Financing Plan for the City of Sulphur Springs Tax Increment Financing Reinvestment Zone Number One and with the authorization of the Certificates of Obligations initiate the downtown revitalization effort. There was a brief general discussion. There was no one else to speak to the issue. Mayor Pro Tem Spraggins made a motion to approve the ordinance on the second and final reading. Councilman Taylor seconded and the vote was as follows:

Ayes: Johnson, Walker, Aguilar, Taylor, Spraggins, Brown  
Nays: Oxford  
Abstain: None

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2559 PROVIDING FOR THE ISSUANCE OF CITY OF SULPHUR SPRINGS, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009, TO SECURE FUNDS FOR THE PURPOSE OF REFUNDING A PORTION OF THE CITY'S OUTSTANDING BONDS AND CERTIFICATES OF OBLIGATION; DELEGATING TO AN OFFICER OF THE CITY THE AUTHORITY TO EFFECT THE SALE OF THE BONDS AND**

**DETERMINE THE TERMS THEREOF IN ACCORDANCE WITH THE REQUIREMENTS SET FORTH IN THIS ORDINANCE; PRESCRIBING THE FORM OF THE BONDS; LEVYING AD VALOREM TAXES FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS; MAKING CERTAIN OTHER COVENANTS OF THE CITY IN REFERENCE TO THE BONDS AND THE FUNDS FROM WHICH SAID BONDS ARE TO BE PAID; APPROVING AN OFFICIAL STATEMENT; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO**

Director of Finance, Peter Karstens, presented the staff report. This ordinance authorizes the sale of bonds to refund two Series of Certificates of Obligation and one General Obligation Bond issue to gain savings from lower interest rates and to lengthen out terms by three years to gain budgetary cash flow for a total of eight (8) years. Leroy Grawunder, of McCall, Parkhurst & Horton L.L.P., was present to answer any questions and Dan Almon, of Southwest Securities, Inc., made a presentation to the City Council. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the ordinance on the second and final reading which adopts the order providing for the issuance of City of Sulphur Springs, Texas, General Refunding Bonds, Series 2009, and acknowledging proposal for sale of bonds that results in a present value savings of \$129,154 and gross debt service loss of \$129,931.23. Councilman Oxford seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2560, AMENDING THE SEXUALLY ORIENTED BUSINESS ORDINANCE TO ESTABLISH SIGNAGE LIMITATIONS ON ADVERTISING OR PROMOTING SUCH BUSINESSES**

Councilman Oxford moved to table this item, as per City Attorney Jim McLeroy's request, to the July 2009 meeting. Councilman Johnson seconded and the vote was unanimous.

**The motion to table carried.**

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2562 PROVIDING FOR THE ISSUANCE OF CITY OF SULPHUR SPRINGS, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2009; BEARING INTEREST AT THE RATES HEREINAFTER SET FORTH; TO SECURE FUNDS FOR THE PURPOSE OF PAYING CONTRACTUAL OBLIGATIONS INCURRED FOR CONSTRUCTING AND RECONSTRUCTING STREETS AND SIDEWALKS, IMPROVING, ACQUIRING AND INSTALLING PARK IMPROVEMENTS, PUBLIC ACCESS AREAS AND PUBLIC PARKING FACILITIES, AND CONSTRUCTING AND**

**EQUIPPING THE MAIN STREET MARKET FOR THE DOWNTOWN REVITALIZATION PROJECT, INCLUDING RELATED DRAINAGE, UTILITY INFRASTRUCTURE, LANDSCAPING, LIGHTING AND SIGNAGE FOR SAID PROJECTS, AND THE ACQUISITION OF LAND AND INTERESTS IN LAND AND PROPERTIES THEREFOR; ACQUIRING, CONSTRUCTING, INSTALLING AND EQUIPPING ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE CITY'S WATERWORKS AND SEWER SYSTEM, ACQUISITION OF EQUIPMENT AND VEHICLES FOR THE CAPITAL CONSTRUCTION DEPARTMENT, WATERWORKS AND SEWER DEPARTMENT, PARKS DEPARTMENT, FIRE DEPARTMENT AND POLICE DEPARTMENT; AND FOR PAYING LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS; PRESCRIBING THE FORM OF CERTIFICATES OF OBLIGATION; LEVYING AD VALOREM TAXES FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE CERTIFICATES OF OBLIGATION; MAKING CERTAIN OTHER COVENANTS OF THE CITY IN REFERENCE TO THE CERTIFICATES OF OBLIGATION AND THE FUNDS FROM WHICH SAID CERTIFICATES OF OBLIGATION ARE TO BE PAID; APPROVING AN OFFICIAL STATEMENT AND AWARDED SALE OF SAID CERTIFICATES OF OBLIGATION; PROVIDING AN EFFECTIVE DATE; AND ENACTING OTHER PROVISIONS RELATING THERETO**

This ordinance authorizes new Certificates of Obligation to fund the first part of the Downtown Revitalization (TIFRZ) effort. The total of the Series is \$4,410,000. The cost of issuance is built into the process of underwriting and selling the bonds. The issue also includes equipment and vehicle purchases. The debt service term on the vehicles and equipment purchase is for seven (7) years and the downtown improvements are for thirty (30) years. The TIFRZ part is \$3.8 million and the equipment is \$610,000. Director of Finance, Peter Karstens, presented the staff report. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the ordinance on the first reading. Councilman Brown seconded and the vote was as follows:

Ayes: Johnson, Walker, Aguilar, Taylor, Spraggins, Brown  
Nays: Oxford  
Abstain: None

**The motion carried.**

**DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR CHEMICALS FOR THE WATER PLANT**

The City Mayor Pro Tem Spraggins moved to approve the staff recommendation to award the contract to the low bidders which were Peneco, Inc. for fluoride and Harcross Chemical for Caustic Soda. Councilman Johnson seconded the motion. Councilman Oxford moved to amend the motion to delete the product "fluoride" from the bid. Mayor

Aguilar called for a second to Councilman Oxford's motion. There was no one to second the motion.

**The motion to remove fluoride from the agenda item failed.**

The Mayor explained that the option to keep fluoride had already been acted on and it was determined the City would continue to use fluoride. There was no one else to speak to the issue. The Mayor called for a vote on the original motion by Mayor Pro Tem Spraggins to approve the staff recommendation to award the contract to the low bidders which were Peneco, Inc. for fluoride and Harcross Chemical for caustic soda which had been seconded by Councilman Johnson and the vote was as follows:

Ayes: Johnson, Walker, Aguilar, Taylor, Spraggins, Brown  
Nays: Oxford  
Abstain: None

**The motion carried.**

**DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR CONCRETE FOR THE HOUSTON STREET PROJECT**

Director of Community Development, Johnny Vance, presented the staff report recommending the low bidder. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the staff recommendation of the low bidder, Bell Concrete. Councilman Brown seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR ROCK**

Director of Community Development, Johnny Vance, presented the staff report recommending the low bidder. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the staff recommendation of the low bidder, Martin Marietta Materials. Councilman Brown seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR CEMENT STABILIZATION FOR THE HOUSTON STREET PROJECT**

Director of Community Development, Johnny Vance, presented the staff report recommending the low bidder. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the staff recommendation of the low bidder, R. K. Haul Construction. Councilman Taylor seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR ASPHALT**

Director of Community Development, Johnny Vance, presented the staff report recommending the low bidder. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to approve the staff recommendation of the low bidder, R. K. Haul Construction. Councilman Taylor seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON ABATEMENT PROCEEDINGS FOR 402 CARTER STREET**

Director of Community Development, Johnny Vance, presented the staff report stating that Mr. Rosamond plans to demolish the property himself. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to declare the property a public nuisance and order abatement by demolition to be completed no later than September 5, 2009. Councilman Taylor seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON ABATEMENT PROCEEDINGS FOR 435 CONNALLY STREET**

This item was pulled from the agenda by the Director of Community Development, Johnny Vance, because the owners have decided to pay the city to demolish the structure.

**Item was pulled from the agenda.**

**DISCUSSION/ACTION ON ABATEMENT PROCEEDINGS FOR 217 MAIN STREET**

Director of Community Development, Johnny Vance, presented the staff report. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to extend the order for abatement and rehabilitation for an additional 90 days to August 31, 2009. Councilman Brown seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON ABATEMENT PROCEEDINGS FOR 224 MAIN STREET**

Director of Community Development, Johnny Vance, presented the staff report. Octavie Rhone addressed the City Council stating that extending the order for abatement and rehabilitation will only prolong the revitalization of downtown. There was no one else to

speak to the issue. Mayor Pro Tem Spraggins moved to extend the order for abatement and rehabilitation for an additional 90 days to August 31, 2009. Councilman Johnson seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON ABATEMENT PROCEEDINGS FOR 226 MAIN STREET**

Director of Community Development, Johnny Vance, presented the staff report. There was no one else to speak to the issue. Mayor Pro Tem Spraggins moved to extend the order for abatement and rehabilitation for an additional 90 days to August 31, 2009. Councilman Brown seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON RESOLUTION NO. 979 SUPPORTING THE APPLICATION OF GRANT FUNDING FOR LAW ENFORCEMENT SPECIAL EQUIPMENT FROM THE JUSTICE ASSISTANCE FORMULA GRANT FOR THE 2009/2010 GRANT YEAR**

This resolution supports the application that will be submitted to the Criminal Justice Department for the amount of \$96,656.00. These funds will purchase new and replacement special law enforcement equipment. There are no matching funds required. Captain Colyer was available to answer any questions. There was no one else to speak to the issue. Councilman Brown moved to approve the resolution as presented. Councilman Oxford seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON RESOLUTION NO. 980 SUPPORTING THE APPLICATION OF GRANT FUNDING FOR LAW ENFORCEMENT SPECIAL EQUIPMENT FROM THE 2009 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM**

This resolution supports the application that will be submitted to the Department of Justice for the amount of \$16,106.00. This money will be used to pay overtime for officers and support staff to work special projects. There are no matching funds required. Captain Colyer was available to answer any questions. There was no one else to speak to the issue. Councilman Brown moved to approve the resolution as presented. Councilman Johnson seconded and the vote was unanimous.

**The motion carried.**

### **VISITORS/PUBLIC FORUM**

Jordan Krause presented three documents regarding the negative effects of fluoridating drinking water to the City Council.

City Secretary Roberts reminded the City Council of the meetings to be held June 16<sup>th</sup> and June 23<sup>rd</sup>. She also reminded those that were participating in the Dairy Festival Parade of June 13<sup>th</sup> to be in the park by 9:30 a.m.

### **ADJOURN**

With all business complete the meeting was adjourned at 8:10 p.m.