

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

JULY 2, 2019

7:00 p.m.

Mayor Norman R. Sanders called the regular meeting of the Sulphur Springs City Council to order at 6:30 p.m. Councilman Moore moved to adjourn to executive session in accordance with Texas Government Code, Title 5, Chapter 551.071, Consultation with Attorney, regarding pending litigation. Councilman Lucas seconded and the vote was unanimous. There was no one present to speak to the issue.

The following council members and staff were present:

Mayor Norman R. Sanders
Councilwoman Erica Armstrong
Councilman Jimmy D. Lucas
Councilman Freddie Taylor
Councilman Jeff Sanderson
Councilman Doug Moore

Absent: Councilman John A. Sellers

Staff: Marc Maxwell, City Manager
Gale Roberts, City Secretary
Jim McLeroy, City Attorney
Tory Niewiadomski, Community Development Director
Gordon Frazier, HR Director
Jason Ricketson, Captain SSPD
Lesa Smith, Finance Director

RECONVENE INTO OPEN SESSION

Mayor Sanders reconvened the meeting 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 Councilman Taylor.

PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS

There was a reminder of the Shadow Ranch event beginning July 26, 2019 at the Hopkins County Civic Center.

MANAGER'S REPORT

PACIFIC PARK DRAINAGE PROJECT – On September 04, 2018 the City Council approved an expenditure of \$85,000 to solve a drainage issue at Carter Street and Martin Luther King Jr. Drive. Since that time engineering has designed an alternative that is simpler and less expensive. It will be easier to maintain also. We have retained 5W Construction to perform the work. They plan to start next week.

SUNSET STREET – Cement stabilization is completed, and capital construction crews have begun pouring concrete. This is the first street reconstruction project we have constructed with lay-down curbs. This style of curb does not require curb-cuts for driveway approaches. We are trying this method on a trial basis. Builders tell us that they prefer this method of construction for new subdivisions because it allows for more flexibility for driveway placement and hence, lower costs. If we like the way this works out, we will change our design spec and let builders construct this style of curb & gutters from now on.



WASTEWATER TREATMENT PLANT – Construction continues on the new aeration basins. We plan to bring the new basins online on August 05, 2019. After that the contractor will begin retrofitting the old basins with the new aeration machinery.

CONNALLY STREET – The water main installation is complete, and we have begun connecting residences to the new water main. Next the Capital Construction Division will construct the drainage improvements.

CLAIMS – We had 2 workers' compensation claims in June. One claim was for a minor back injury, and the other was for a minor wrist injury. Both employees were treated and have returned to work.

We also received 2 claims related to sewer overflows. We have submitted both claims to the TML Risk Pool.

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

Elsewhere around the city, employees:

- Checked out 4,783 items from the library, and an additional 762 eBooks.
- Responded to 195 fire/rescue calls including 5 grass fires.
- Performed 26 fire inspections and reviewed 26 pre-fire plans.
- Sent 33 weed violation notices and issued 1 citation.
- Performed preventative maintenance on 65 fire hydrants.
- Treated 127 million gallons of potable water.
- Conducted 32 building inspections, 28 electrical inspections, 6 plumbing inspections, 5 mechanical inspections and issued 20 building permits.
- Hosted 3 baseball tournaments.
- Aerated athletic fields.
- Replaced the slide at Pacific Park.
- Repaired the runway lights at the airport.
- Assisted with storm cleanup.
- Treated wastewater to a daily average total suspended solids reading of .94 mg/L.
- Repaired 13 water main ruptures.
- Replaced 27 water meters.
- Unstopped 15 sewer mains.
- Repaired 14 sewer mains.
- Washed out 75,000 feet of sewer mains.
- Flushed 35 dead-end water mains.
- Opened the flood gates at Lake Sulphur Springs 7 times.
- Repaired Raw Water Pump #1 at Cooper Lake Pump Station.
- Sold 2,305 gallons of AvGas and 10,692 gallons of JetA fuel.
- Responded to 221 animal control calls and achieved a 21% adoption rate.
- Made 3 felony arrests in Special Crimes Unit.
- Made 65 arrests, wrote 480 citations, responded to 46 offences and 30 accidents.

DISCUSSION/ACTION ON THE CONSENT AGENDA

Consider for approval the regular City Council meeting minutes of June 4, 2019; the Downtown Revitalization Board meeting minutes of May 14, 2019; the Planning and Zoning Commission meeting minutes of May 20, 2019; the Zoning Board of Adjustments and Appeals meeting minutes of May 21, 2019; and the Economic Development

Corporation meeting minutes of May 20, 2019. There was no one to speak to the issue. Councilman Moore made a motion to approve the minutes as presented. Mayor Pro Tem Armstrong seconded the motion and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2746 AMENDING CHAPTER 15 OF THE SULPHUR SPRINGS MUNICIPAL CODE BY ADDING ARTICLE VII, SECTIONS 15-301 – 15-308, TO PROVIDE REGULATION OF TIRE BUSINESSES

City Attorney McLeroy presented the staff report. This ordinance is necessary to address the increased number of tire stores in the area which accumulate scrap tires in large numbers and are subject to infestations of insects and vermin. This ordinance will limit the number of tires that can be stored at any one location and will require that such storage be screened from public view and maintained in a safe, wholesome and orderly fashion. Since the first reading, the definition of “scrap tires” has been focused, the number of tires which may be stored outside on the ground has been reduced to 500 from 1,000 in the ordinance on first reading, while the number of scrap tires which may be stored inside an enclosed trailer is now 1,500 and additional requirements for vector control have been added. There was a brief discussion. There was no one else to speak to the issue. Councilman Moore made a motion to adopt the ordinance on second and final reading. Councilman Lucas seconded the motion and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST 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

Community Development Director Niewiadomski presented the staff report. 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 a brief discussion. There was no one else to speak to the issue. Councilman Moore moved to approve the ordinance on the first reading. Councilman Taylor seconded the motion and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST 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

Community Development Director Niewiadomski presented the staff report. 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 a brief discussion. There was no one else to speak to the issue. Mayor Pro Tem Armstrong moved to approve the ordinance on the first reading. Councilman Sanderson seconded the motion and the vote unanimous.

The motion carried.

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

Community Development Director Niewiadomski presented the staff report. 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 a brief discussion. There was no one else to speak to issue. Mayor Pro Tem Armstrong moved to approve the ordinance on the first reading. Councilman Lucas seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST 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

Community Development Director Niewiadomski presented the staff report. 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 a brief discussion. There was no one else to speak to the issue. Councilman Moore moved to approve the ordinance on the first reading. Councilman Sanderson seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION RESOLUTION NO. 1171, CALLING FOR A SPECIAL ELECTION TO BE HELD NOVEMBER 5, 2019, FOR THE PURPOSE OF AUTHORIZING THE SULPHUR SPRINGS/HOPKINS COUNTY ECONOMIC DEVELOPMENT CORPORATION TO USE THE SALES TAX AND USE TAX INCLUDING ANY AMOUNT PREVIOUSLY COLLECTED FOR SPECIFIC CATEGORIES OF PROJECT THAT QUALIFY UNDER SECTION 4B OF THE TEXAS DEVELOPMENT CORPORATION ACT, FOR THE PURPOSES OF CONSTRUCTION AND MAINTENANCE OF THE SULPHUR SPRINGS PARKS DEPARTMENT FACILITIES INCLUDING THE SULPHUR SPRINGS PARKS DEPARTMENT PACIFIC PARK AND THE SULPHUR SPRINGS PARKS DEPARTMENT SENIOR CITIZEN CENTER

City Attorney McLeroy presented the staff the report. The City of Sulphur Springs is currently served by the Sulphur Springs/Hopkins County Economic Development Corporation incorporated under the provisions of the Development Corporation Act of 1979, Section 4A, which generates funds for the purposes of promoting economic development in the Sulphur Springs community. State law also provides that funds of the Economic Development Corporation may be spent on projects that do not provide direct job creation including projects allowed in Section 4B of the Development Corporation Act, if such expenditure is approved by the city's voters at an election held on the issue. This resolution calls for a special election in November 5, 2019, for that exact purpose.

Councilman Moore suggested a change in the wording of the order of election language as follows:

Now, Therefore, A special election is hereby ordered to be held on Tuesday, November 5, 2019 for the purpose of authorizing the Sulphur Springs Hopkins County Economic Development Corporation to use the sales and use tax including any amount previously collected for specific categories of projects that qualify under Chapter 505 of the Texas Local Government Code for the purpose of construction of the Sulphur Springs Parks Department Pacific Park and Senior Citizens Center. This amount shall be limited to \$200,000 per fiscal year for a period of twenty (20) years.

There was a brief discussion. There was no one else to speak to the issue. Councilman Taylor moved to approve the resolution with the suggested changes in the verbiage. Councilman Lucas seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1172, AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO A FEDERAL GRANT PROJECT REPRESENTED BY THE TEXAS DEPARTMENT OF TRANSPORTATION AVIATION DIVISION FOR AIRPORT IMPROVEMENTS

Finance Director Smith presented the staff report. The TxDOT Aviation Division is prepared to submit their recommendations to the state's Transportation Commission for funding Capital Improvement Program projects at Sulphur Springs Municipal Airport. The scope of this project will include rehabilitation of existing concrete and asphalt surfaces and marking the runway, taxiways, and aprons. Additionally, the Terminal Apron will be expanded to allow ingress and egress from two locations. This will improve operational safety and efficiency. Total costs for the proposed improvements are estimated to be \$1,680,000.00. Of that amount, 90% will be Federal funds and 10% local funds. This resolution will confirm local approval for the projects and commitment to funding the local match. Engineering and Design cost, \$ 105,000, (\$94,500 and \$10,500) will be funded in FY2020. Construction and Rehabilitation phases are currently projected for funding in FY2021 and are estimated to be \$ 1,575,000 (\$ 1,417,500 and \$ 157,000). In the past 20 years, local, State and Federal investments in both landside and airside facilities have been significant, with over \$ 9 million invested in capital project development. Private investment in aircraft and facilities have been equally significant, totaling over \$ 10 million. Historically, the EDC has assisted with local matching funds for CIP projects. Without question, the airport has been, and continues to be, a critical component in the economic development and growth of Sulphur Springs and Hopkins County. Over the next several months, staff will

communicate with EDC Director Feagley and board members about contributing matching funds for this project. Staff recommends approval of the resolution. We will continue to utilize our partnership with the EDC to keep the airport a viable component of the local economic development plan. The total match for the project will be \$1168,000.00 and the total amount of Federal Grant funds will be \$1,512,000.00. There was a brief discussion. There was no one else to speak to the issue. Councilman Taylor moved to approve the resolution s presented. Councilman Moore 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

Finance Director Smith presented 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. Rami Saad with Enterprise Fleet Management made a power point presentation and there was a lengthy discussion regarding different variables of the process. Councilman Lucas moved to table the item until the next meeting. Mayor Pro Tem Armstrong seconded and the vote to table was unanimous.

The motion carried.

DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR CONNALLY STREET EXCAVATION, STABILIZATION, AND CONCRETE PAVEMENT

Community Development Director Niewiadomski presented the staff report. Staff placed bid notices in the News Telegram. Certified emails were also sent to fourteen prospective bidders. Bids were opened on June 21st. The bid consists of Excavation, Cement stabilization and subgrade preparation for the installation of 7” of reinforced concrete pavement with 6” curb.

BIDDER	TOTAL BID PRICE
5W Contracting, Sulphur Springs	\$703,508.52
Hwy 19 Construction, Sulphur Springs	\$717,063.00
Mike Rogers Construction, Lone Star	\$742,658.00
Drake Construction, Paris	\$1,217,301.80

Staff recommends award of contract to 5W Contracting as the apparent low bidder. There was a brief discussion. There was no one else to speak to the issue. Councilman Moore moved to accept the bids and award the contract to 5W Contracting as the low bidder. Councilman Lucas seconded and the vote was as follows:

Ayes: Armstrong, Lucas, Taylor, Sanderson, Moore

Nays: None
Abstain: Sanders

The motion carried.

DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM WHICH MAY INCLUDE RESOLUTION NO. 1174

This is a resolution of the city council of the City of Sulphur Springs, Texas, approving an agreement between the City of Sulphur Springs and the successor in interest to Sulphur Springs TMA, LLC for operation of the former Sulphur Springs TMA, LLC sludge treatment plant located at the Wastewater Treatment Plant. Councilman Moore move to approve the resolution as presented. Councilman Sanderson seconded and the vote was unanimous.

The motion carried.

VISITORS AND PUBLIC FORUM

None

ADJOURN

With all business complete the meeting was adjourned at 8:14 p.m.