

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

SEPTEMBER 1, 2020

7:00 p.m.

Mayor John A. Sellers 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:

Public link: <https://www.youtube.com/channel/UC8CxjG8pt3Cn8DDMgg0xr8g>

Mayor John A. Sellers
Mayor Pro Tem Freddie Taylor
Councilman Doug Moore
Councilman Harold Nash Sr.
Councilman Oscar Aguilar

Absent: None

Staff: Marc Maxwell, City Manager
Gale Roberts, City Secretary
Jim McLeroy, City Attorney
Lesa Smith, Finance Director
Tory Niewiadomski, Community Development Director
Gordon Frazier, Director of Human Resources
James Jordan, Director of Utilities

CALL TO ORDER

Mayor John A. Sellers called the regular meeting of the Sulphur Springs City Council to order at 7:00 p.m.

PLEDGE AND INVOCATION

Mayor Sellers 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 Moore.

PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS

None.

MANAGER'S REPORT

COVID-19 RESPONSE – The number of active cases in Hopkins County maintains a range of 30 to 70 cases. We currently have 47 active cases in Hopkins County. The state recently tested 483 people at the civic center, and I expect an increase in active cases over the next few days. We have had 196 recoveries in Hopkins County.

GRAYS BUILDING – The Capital Construction Division is finished preparing the pad site for the Grays building. The soil for the site came from the drainage way just south of Spring Street (behind the pawn shop). This gives us the added benefit of increased storm water retention which will further reduce the threat of flooding on Oak Avenue.

The construction manager solicited bids for various contracts for foundation, structural, HVAC, etc. You will consider those bids later on the agenda. City staff will perform all dirt work, construct all sidewalks and on-street parking. Staff will also perform all plumbing and electrical work.

SENIOR CITIZENS BUILDING – We have hired REES Associates to design the senior citizens building. The design process is underway. REES is working closely with the design committee to design a building that is both functional and pleasing to the eye. I expect the design process to conclude this month.

After that we will begin building the pad with soil that will also be taken from the drainage way south of Spring Street. When we are done building the pad, we will have greatly reduced the threat of flooding on Oak Avenue, and we will have significantly raised the elevation of the site as well. It is the proverbial win-win.

BELLVIEW STREET – Atmos is still replacing their gas line on this project. I expected them to be done by now, but it has not worked out that way. At this point I do not feel comfortable estimating a completion date for Atmos.

MCCANN STREET – Construction has begun on this street. The Capital Construction Division is making rapid progress. Installation of the new sewer main is nearly completed. I expect them to complete the sewer main next week. Construction on the new water main will be next. The water pipe is already ordered.

CONNALLY STREET – The construction is complete!

CLAIMS – We did not have any workers compensation claims in August. We did have one liability claim from an attorney on behalf of Michael Polnac. I expect this claim to become a lawsuit.

REVENUES AND EXPENDITURES – Finance Director Lesa Smith will not give a year-to-date report of revenues and expenditures since she has previously presented the proposed budget including a year-end estimate of the current year’s budget. Lesa will present a year-end review next month.

Elsewhere around the city, employees:

- Rehabbed the belt press building at the wastewater treatment plant.
- Performed repairs on the chlorination system at the wastewater treatment plant.
- Treated wastewater effluent to a daily average total suspended solids reading of .67 mg/L.
- Repaired 17 water main ruptures.
- Unstopped 35 sewer mains.
- Repaired 4 sewer mains.
- Washed 80,000 feet of water mains.
- Made repairs to #1 clear well at the water treatment plant.
- Flushed 36 dead-end water mains.
- Treated 196 million gallons of potable water.
- Made 5 extensive street repairs following utility repairs.
- Patched 108 potholes.
- Replaced 31 STOP signs, 10 NO PARKING, and 12 STREET signs.
- Repaired a section of Teer Street with 78 cubic yards of concrete.
- Conducted 34 building inspections, 24 electrical inspections, 20 plumbing inspections, 9 mechanical inspections and issued 30 building permits.
- Sold 2,147 gallons of AvGas and 5,131 gallons of JetA fuel.
- Cleaned the fountain wall at the Hopkins County Veterans Memorial.
- Hosted a 22-team baseball tournament.
- Boom-shredded around both lakes at Coleman Park.
- Responded to 173 animal control calls while achieving an adoption rate of 88%.
- Responded to 2,327 911 calls, made 50 arrests, recorded 61 offences, responded to 36 accidents, and wrote 422 citations in the Patrol Division
- Made 5 felony arrests in the Special Crimes Unit.
- Responded to 185 calls for fire/rescue including 1 vehicle fire and 6 grass fires.
- Performed testing and preventative maintenance on 78 fire hydrants.
- Conducted 5 fire inspections.
- Checked out 2,744 items from the library plus 699 eBooks.

DISCUSSION/ACTION ON THE CONSENT AGENDA

Consider for approval the regular City Council meeting minutes of August 4, 2020; the Special Workshop meeting minutes of August 4, 2020; the City Council Special meeting minutes of August 13, 2020; and the Economic Development Corporation meeting

minutes of July 27, 2020. There was no one to speak to the issue. Mayor Pro Tem Taylor made a motion to approve the minutes as presented. Councilman Moore seconded the motion and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON A MOTION TO CONTRIBUTE \$31,950 OF C.A.R.E.S. ACT FUNDING TO THE SULPHUR SPRINGS INDEPENDENT SCHOOL DISTRICT FOR THE PURCHASE OF IPADS AND HOTSPOTS

City Manager Maxwell presented the staff report. SSISD Superintendent Mike Lamb spoke in favor of the item. There was a brief discussion. There was no one else to speak to the issue. Councilman Nash moved to approve the expenditure. Mayor Pro Tem Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2767 AMENDING ORDINANCE NO. 2752, THE FISCAL YEAR 2019-2020 ANNUAL BUDGET ORDINANCE

Finance Director Smith presented the staff report. This budget amendment addresses changes that have occurred during the fiscal year due to action by the public, City Council, and circumstances outside of our control. There was no one else to speak to the issue. Mayor Pro Tem Taylor moved to adopt the ordinance on the second and final reading. Councilman Moore seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2768 AMENDING ORDINANCE NO. 2050: THE ZONING ORDINANCE BY ALTERING ARTICLE 2.200 TO CREATE A DEFINITION OF ACCESSORY DWELLING UNITS AND AMENDING ARTICLE 7:SF-6 ZONING DISTRICT 6,000 AMENDING SECTION 7.200 TO ADD (J) ACCESSORY DWELLING UNITS (ADU) TO ESTABLISH ELIGIBILITY AND DESIGN STANDARDS

Community Development Director Niewiadomski presented the staff report. An accessory dwelling unit can be classified as many things such “granny flats”, “in-law suites”, “backyard cottages”, or “garage apartments” but are essentially a secondary housing unit on a piece of property. They can be attached structures or even detached structures on the property that contain independent living quarters but one of the units must be homeowner occupied so the property does not become a pure rental property. The thought is that having the homeowner reside on the premises, it will offer greater upkeep and care for the property. In addition, the scale of the ADU’s are expected to be

less than 800 square feet or 75% of the size of the home. The units will have to meet setbacks and parking requirements while architecturally matching the appearance of the home. There was no one else to speak to the issue. Councilman Moore moved to adopt the ordinance on the second and final reading. Mayor Pro Taylor seconded the motion and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2769 AMENDING ORDINANCE NO. 2050: THE ZONING ORDINANCE, ARTICLE 2.2, TO DEFINE PERMANENT MAKEUP AND COSMETIC TATTOOS, TO AMEND ARTICLE 10: MF MULTI FAMILY DWELLING DISTRICT 10.200 €, TO AMEND ARTICLE 13: CC CENTRAL COMMERCIAL DISTRICT TO ADD (D) AND AMEND ARTICLE 14: LC LIGHT COMMERCIAL DISTRICT 14.200 (B)

Community Development Director Niewiadomski presented the staff report. This ordinance proposes to properly define permanent makeup and cosmetic tattoos and to allow them as a use by right in commercial zoning districts or in multi-family zoning if performed as an ancillary use within a beauty shop or salon. There was no one else to speak to the issue. Councilman Aguilar moved to adopt the ordinance on the second and final reading. Mayor Pro Tem Taylor seconded the motion and the vote was unanimous.

The motion carried.

CONDUCT A PUBLIC HEARING TO MEET STATE LAW REQUIREMENTS FOR THE CITY OF SULPHUR SPRINGS TAX RATE OF \$0.44/\$100

Mayor Sellers opened the public hearing at 7:24 p.m.

There were no phone calls, and no one came to speak to the issue.

Mayor Sellers closed the public hearing at 7:25 p.m.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2770, THE APPROPRIATIONS ORDINANCE FOR THE CITY OF SULPHUR SPRINGS FOR FISCAL YEAR 2020 - 2021

Finance Director Smith presented the staff report. The proposed draft budget is the same as discussed during the budget workshops. There was no one to speak to the issue. Councilman Moore moved to approve the ordinance on the first reading. Councilman Nash seconded and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2771, SETTING THE TAX RATE FOR THE CITY OF SULPHUR SPRINGS FOR FISCAL YEAR 2020 - 2021

Finance Director Smith presented the staff report stating this is the same tax rate as it has been for the past several years. There was no one to speak to the issue. Mayor Pro Tem Taylor moved that the property tax rate be increased by the adoption of a tax rate of 44 cents per 100 dollars which is effectively a 0.16 percent increase in the tax rate. Councilman Nash seconded and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2772, AUTHORIZATION OF UPDATED SERVICE CREDITS

Human Resources Director Frazier presented the staff report. There was no one else to speak to the issue. Councilman Moore moved to approve the ordinance on first reading. Mayor Pro Tem Taylor seconded and the vote unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2773, ESTABLISHING A CERTAIN AREA AS A COMMERCIAL – INDUSTRIAL REINVESTMENT ZONE

Community Development Director Niewiadomski presented the staff report. City-owned property that was recently annexed has industrial use potential. If a district were in place, it could allow the City to issue time limited tax abatements on properties within the district if substantial enhancements or upgrades are made to the property in the area to help promote economic development within the City. It is proposed that this particular zone will be in place for five years and could be renewed in 5-year increments if desired. 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. Mayor Pro Tem Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1207, ANNUAL REVIEW OF THE INVESTMENT POLICY AS REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT

Finance Director Smith presented the staff report. The governing body of an investing entity shall review its investment policy not less than annually. The governing body shall adopt a written instrument by resolution stating that it has reviewed the policy. This policy provides guidance in the investment of City funds and meets requirements of the Texas Government Code, Public Funds Investment Act. There was no one else to

speak to the issue. Councilman Nash moved to approve the resolution as presented. Mayor Pro Tem Taylor seconded and the vote was unanimous.

The motion carried.

DISCUSSION /ACTION ON ASSET FORFEITURE BUDGET

Police Chief Ricketson presented the staff report. Federal law requires the governing body to approve the department Asset Forfeiture Budget. The Police Department plans to use \$22,500.00 for equipment. There was no one to speak to the issue. Mayor Pro Tem Taylor moved to approve the budget as presented. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON APPROVAL OF THE BUDGET FOR THE SULPHUR SPRING/HOPKINS COUNTY ECONOMIC DEVELOPMENT CORPORATION

Economic Development Corporation Executive Director Feagley presented the staff report. The City Council approval of the budget is required by state law. All of the spending that is outlined in the budget is from the half-cent sales for economic development. There was no one to speak to the issue. Mayor Pro Tem moved to approve the budget as presented. Councilman Aguilar seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1208 AUTHORIZING FUNDING F00R THE SULPHUR RIVER BASIN AUTHORITY

City Manager Maxwell presented the staff report. This expenditure would go the Sulphur River Basin Authority (SRBA) and it is in the City's best interest to ensure that the SRBA remains a viable entity. When and if additional lakes are constructed on the Sulphur River the SRBA will play a key role in the management of the water resources. There was a brief discussion. There was no one else to speak to the issue. Councilman Moore moved to approve the resolution as presented. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR H. W. GRAYS BUILDING

Finance Director Smith presented the staff report. The City advertised for bids for Masonry, Construction, Building Concrete, and Structural Steel Material for the H. W. Grays building. The following bids were received:

H.W. Grays Building Bid Tabulation					
	Sulta Mfg.	Potts Concrete	J&J Masonry	M&P Concrete*	All Star Roofing*
Masonry	-	-	\$39,685.00	-	-
Steel Material	\$60,310.00	-	-	-	-
Concrete Construction	-	\$136,887.00	-	\$162,099.00	-
Roofing/Siding	-	-	-	-	\$131,098.50-
* Non-responsive bids due to exclusion of bid security					

Staff received a total of 5 responses, 2 of which were non-responsive due to not meeting bid specifications. The staff recommendation is to accept the bids and award the contract to the lowest bidder in the three responsive categories. We will go out for bids on roofing again this month. There was no one to speak to the issue. Mayor Pro Tem Taylor moved to accept the bids and award the contract to the lowest bidder in each of the three categories. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON ASSIGNMENT OF AN EXISTING AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-15B

Airport Director Baker presented the staff report. The original Ground Lease Agreement between the City and Mr. Steve Hudson was executed on June 8, 2005, with a 20-year term and the option for three (3) five-year extensions. Section 7, Sub-section A, states that a Lessee may “sell, lease, or otherwise assign to another party his rights, title interest in this lease, including any improvements on property, for the remaining term hereof.” Mr. Steve Hudson has entered into an agreement to sell his hangar to Mr. Brian W. Jacobs and Mrs. Mattie E. Jacobs, Trustees of the Brian W. Jacobs and Mattie E. Jacobs Revocable Trust dated May 7, 2020. This Assignment of Lease would assign the existing lease to the Brian W. Jacobs and Mattie E. Jacobs Revocable Trust for the remaining term of the original lease. There was no one else to speak to the issue. Mayor Pro Tem Taylor moved to approve the assignment of the existing airport ground lease agreement. Councilman Aguilar seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON AN AGREEMENT FOR MUTUAL AID IN EMERGENCY SERVICES BETWEEN THE CITY OF SULPHUR SPRINGS, TEXAS, AND THE CITY OF COMMERCE, TEXAS

Fire Chief James presented the staff report. The purpose of this agreement is to provide

mutual cooperation between the Sulphur Springs Fire Department and the Commerce Fire Department by establishing a predetermined plan as agreed upon by both entities by which each will provide mutual aid assistance in case of large structures fires, major emergencies and/or other emergencies when available. There was a brief discussion. There was no one else to speak to the issue. Mayor Pro Tem Taylor moved to approve the agreement. Councilman Moore seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1210 APPROVING A NEGOTIATED SETTLEMENT BETWEEN ATMOS CITIES STEERING COMMITTEE (ACSC) AND ATMOS ENERGY CORPORATION, MID-TEX DIVISION, REGARDING THE COMPANY'S 2020 RATE REVIEW MECHANISM FILING

City Manager Maxwell presented the staff report. The Company claimed that its cost-of-service in a test year ending December 31, 2019, entitled it to additional system-wide revenues of \$141.2 million. After the Company reviewed ACSC's consultants' reports, ACSC's Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$90 million. The impact of the settlement on average residential rates is an increase of \$5.15 on a monthly basis. The increase for average commercial usage will be \$15.48. The Executive Committee recommends a settlement of \$90 million. There was a brief discussion. There was no one else to speak to the issue. Mayor Pro Tem Taylor moved to approve the resolution as presented. Councilman Moore seconded and the vote was unanimous.

The motion carried.

VISITORS AND PUBLIC FORUM

No calls were received.

A FIVE-MINUTE RECESS WAS TAKEN FROM 8:13P THROUGH 8:18P

AN EXECUTIVE SESSION WILL BE CONDUCTED IN ACCORDANCE WITH TEXAS GOVERNMENT CODE, SECTION 551.087, ECONOMIC DEVELOPMENT

At 8:18 p.m. Mayor Pro Tem Taylor moved to adjourn into Executive Session. Councilman Aguilar seconded and the vote was unanimous.

The motion carried.

RECONVENE INTO OPEN SESSION

Mayor Sellers reconvened the City Council meeting at 8:41 p.m.

DISCUSSION/ACTON OF EXECUTIVE SESSION ITEM

Councilman Moore moved to authorize the City Manager to enter into an agreement with Capex Consulting for economic development services. Councilman Aguilar seconded and the vote was unanimous.

The motion carried.

ADJOURN

With all business complete the meeting was adjourned at 8:43 p.m.