



REGULAR CITY COUNCIL MEETING

City Hall Council Chambers, 298 West Washington Street
Tuesday, August 01, 2023 at 5:30 PM

MINUTES

The City Council of the City of Stephenville, Texas, convened on Tuesday, August 01, 2023, in the City Hall Council Chambers, 298 West Washington Street, for the purpose of a Regular City Council Meeting, with the meeting being open to the public and notice of said meeting, giving the date, time, place and subject thereof, having been posted as prescribed by Chapter 551, Government Code, Vernon's Texas Codes Annotated, with the following members present, to wit:

COUNCIL PRESENT: Mayor Pro Tem, Council Member Mark McClinton
Council Member LeAnn Durfey
Council Member Justin Haschke
Council Member Lonon Reisman
Council Member Maddie Smith
Council Member David Baskett
Council Member Brandon Greenhaw

COUNCIL ABSENT: Mayor Doug Svien
Council Member Bob Newby

OTHERS ATTENDING: Jason M. King, City Manager
Randy Thomas, City Attorney
Sarah Lockenour, City Secretary

CALL TO ORDER

Mayor Pro Tem called the Regular City Council Meeting to order at 5:30 PM.

PLEDGES OF ALLEGIANCE

Council Member Lonon Reisman led the pledges to the flags of the United States and the State of Texas.

INVOCATION

Pastor Wayne Hancock of Cross Timbers Church of Christ voiced the invocation.

CITIZENS GENERAL DISCUSSION

No one addressed the Council at this time.

REGULAR AGENDA

1. Set the Maximum Proposed Tax Rate for 2023

Mayor Pro Tem pulled this item from the agenda and will call a Special City Council meeting next week to address.

2. Set Date, Time, and Location of Public Hearing on Proposed Tax Rate for 2023

Mayor Pro Tem pulled this item from the agenda and will call a Special City Council meeting next week to address.

3. Citizens Budget Requests

City Manager Jason King shared one citizen budget request that was submitted via email. Citizens are welcome to join Council at budget workshops and hearings if they would like to submit any requests.

4. Consider Approval of Proposed Charter Amendments for the November 2023 Special Election

MOTION by LeAnn Durfey, second by Lonn Reisman, to remove this item from the table. MOTION CARRIED unanimously.

Lonn Reisman presented this item at tonight’s meeting. The Charter Review Committee recommended the following:

2- Amend Article III, Sections 5 and 10 of the City Charter of the City of Stephenville to increase the number of terms candidates seeking public office can hold by changing the existing term of office for all City of Stephenville Council Members from two (2), two-year terms to three (3), two-year terms or two, three-year terms for a maximum total time in office of six (6) years.

MOTION by Lonn Reisman, second by Brandon Greenhaw, to approve Charter Amendments for the November 2023 Special Election as presented. MOTION CARRIED unanimously.

5. Consider Approval of Ordinance Ordering a Special Election for the Purpose of Amending the City of Stephenville Charter

MOTION by David Baskett, second by Brandon Greenhaw, to approve Ordinance No. 2023-O-20 ordering a Special Election. MOTION CARRIED unanimously.

6. Consider Approval of Changing the Date of the October Regular City Council Meeting

City Manager Jason King presented this item. Due to the many Council Members and City staff attending the Texas Municipal League conference the first week of October, we are requesting to move the Regular City Council Meeting from October 3rd to October 10th.

MOTION by David Baskett, second by Maddie Smith, to move the Regular City Council Meeting from October 3rd to October 10th. MOTION CARRIED unanimously.

7. Consider Approval of Resolution Denying the Distribution Cost Recovery Factor Application Proposed by Oncor Electric Delivery Company, LLC

City Manager Jason King presented this item to the Council. On June 30, 2023, Oncor Electric Delivery Company, LLC (“Oncor” or “Company”) filed an application to Amend its Distribution Cost Recovery Factor (“DCRF”) and Update its Mobile Generation Riders to increase distribution rates within each of the cities in its service area. In the filing, the Company asserts it is seeking an increase in distribution revenues of approximately \$152.78 million. The Company is also seeking to update its Rider Mobile Generation and Rider Wholesale Mobile Generation to recover revenue related to mobile generation unit leasing and operation. The Rider would recover approximately \$1.07 million.

The resolution authorizes the City to join with the Steering Committee of Cities Served by Oncor (“OCSC”) to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue. The purpose of the Resolution is to deny the DCRF application proposed by Oncor.

MOTION by Justin Haschke, second by David Baskett, to approve Resolution No. 2023-R-11 denying the Distribution Cost Recovery Factor Application Proposed by Oncor Electric Delivery Company, LLC. MOTION CARRIED unanimously.

8. Consider Approval of a Professional Services Agreement for the Lillian Pump Station Distribution Pump Project

Public Works Director Nick Williams presented this item to the Council. The Lillian Pump Station receives and treats raw water and pumps potable water into the Stephenville distribution system. The water distribution system consists of a high zone, on the western side of the city, and a low zone, on the eastern side of the city. When the pump station was constructed in 2001, three pumps were installed for the high zone and two pumps were installed for the low zone. Piping was installed for a future third pump for the low zone. This project would complete the engineering specifications and provide construction documents to install the third pump, motor, and electrical components at the station.

A professional services proposal has been received from Provenance Engineering to provide plans, detailed technical specifications for the civil, electrical, and instrumentation and control disciplines for the project. The proposal provides an 18-month term to provide the design, bid, and construction phase services.

The full \$50,000 design cost was approved in the FY22-23 budget. The agreement provides for the preparation of construction drawings, detailed specifications as well as pre-bid and bidding assistance, contractor review and recommendation, and construction phase services for \$50,000. The estimated construction cost is listed at \$600,000 and would be completed with the expansion of the station with a new 1MG ground storage tank currently forecasted for FY25-26. Once the design is completed, the bid and construction phase services would only commence with written authorization.

Staff recommend entering into a professional services agreement with Provenance Engineering for the budgeted design of the Lillian Pump Station - Distribution Pump Project.

MOTION by Justin Haschke, second by LeAnn Durfey, to approve the Professional Service Agreement with the Lillian Pump Station as presented. MOTION CARRIED unanimously.

PLANNING AND ZONING COMMISSION

Steve Killen, Director of Development Services

9. PD2021-001 – UPDATE

Applicant Taylor Kanute of Harbin Street LLC, Pursuant to the Requirements Set Forth by Section 154.08 of the City of Stephenville Zoning Ordinance, is Presenting an Update and Requesting an Extension of the Development Schedule for the Planned Development located at 0 S. Harbin Drive, Parcel R73763, of SOUTH SIDE ADDITION, BLOCK 19; LOT 15 of the City of Stephenville, Erath County, Texas

Director of Development Services Steve Killen presented this item at tonight's Regular Council Meeting.

The Planning and Zoning Commission convened on May 19, 2021, and by a vote of 5/1, recommended the City Council approve the rezoning request. Subsequently, on June 1, 2021, the City Council approved Ordinance No. 2021-O-19, rezoning the property from Retail and Commercial Business (B-2) to Planned Development District.

Significant project delays occurred due to the developer having to obtain an easement from the railroad to extend the sewer line along Harbin Street. The easement was secured, and public improvements have started.

When the PD was approved on June 1, 2021, the developer indicated a more defined development timeline including start and completion dates would be provided. City ordinance requires annual updates to the Commission. Because of the delays, an updated project schedule is necessary.

On July 19, 2023, an updated Development Schedule was presented to the Planning and Zoning Commission. The Commission voted 7-0 to approve the Development Schedule as presented and require an update on the project within six months.

9. Consider Approval of Ordinance Extending the Modified Development Schedule for Planned Development District (PD) Located at 0 Harbin Drive, Parcel R73763, being South Side Addition, Block 19; Lot 15 of the City of Stephenville, Erath County, Texas

MOTION by David Baskett, second by Brandon Greenhaw, to approve Ordinance No. 2023-O-21 extending the modified development schedule for Planned Development District as presented. MOTION CARRIED unanimously.

PUBLIC WORKS COMMITTEE

Mark McClinton, Chair

10. Public Works Committee Report - July 18, 2023

Public Works Committee Chair Mark McClinton and Public Works Director Nick Williams presented this item.

Agenda Item 1: Solid Waste Franchise Agreement – Renewal Amendment

The proposed amendment to renew the exclusive franchise agreement with Waste Connections for the collection, hauling, and disposal of solid waste was discussed. It was noted the agreement amendment would extend the agreement term, currently set to expire on December 31, 2023, for five years through December 31, 2028. It was noted the rates would be held without change for all of 2024. Following discussion, a motion was made by Mr. Baskett, seconded by Mrs. Durfey, to forward a positive recommendation to the full council to approve the requested amendment as presented. The committee voted unanimously to forward a positive recommendation to the full council to approve the proposed renewal amendment as presented.

Agenda Item 2: Extension of Utility Services Beyond City Limits

The Public Works Committee met on June 20, 2023, and discussed the extension of utilities outside the city limits. It was noted recent utility extensions have been to properties requesting voluntary annexation into the city limits. It was noted when a request for utilities is made for property located outside the city limits, conformance with the city's existing ordinances as well as future maintenance costs are considered. The committee voted unanimously to forward a positive recommendation to the full council to create a formal policy requiring properties contiguous to the city limits to be voluntarily annexed into the city in order to receive city utility services. Staff recommends including the policy addressing the extension of utility services beyond the current city limits into the Engineering Standards Manual.

11. Consider Approval of a Renewal Amendment to the Solid Waste Franchise Agreement

MOTION by Justin Haschke, second by David Baskett, to accept the renewal amendment to the Solid Waste Franchise Agreement with Waste Connections. MOTION CARRIED unanimously.

12. Consider Approval of a Policy for Extension of Utility Services Beyond the City Limits

MOTION by Lonn Reisman, second by LeAnn Durfey, to approve the policy for Extension of Utility Services beyond the city Limits as presented. MOTION CARRIED unanimously.

NOMINATIONS COMMITTEE

Maddie Smith, Chair

13. Nominations Committee Report

Nominations Committee Chair Maddie Smith presented this item.

The committee met on July 18, 2023, to review applications for vacancies to Citizen Boards and Commissions. The following recommendations were made:

Board of Adjustment

Place 1 JJ Conway

A1 John Traweek

MOTION by Bob Newby, second by Brandon Greenhaw, to recommend moving JJ Conway to Place 1 vacated by Darrell Brown and placing John Traweek in the Alternate 1 position vacated by JJ Conway to full Council. MOTION CARRIED unanimously.

14. Discuss and Consider Approval of Appointments to Citizen Boards and Commissions

MOTION by Maddie Smith, second by Justin Haschke, to appoint JJ Conway to Board of Adjustment Place 1 and John Traweek to Board of Adjustment Alternate 1. MOTION CARRIED unanimously.

FINANCIAL REPORTS

Monica Harris, Director of Finance

15. Monthly Budget Report and Quarterly Investment Report for the Period Ending June 30, 2023

In reviewing the financial statements ending June 30, 2023, the financial indicators are overall as or better than anticipated.

Property Tax Collections: We received \$26K in property taxes in the month of June, resulting in a \$446K increase over funds collected last fiscal year to date. The amount collected is 97% of the budget, which is \$167K less than anticipated.

Sales and Use Tax: We received \$714K in sales tax in June, resulting in \$909K or 15% more than the funds collected last fiscal year to date. The amount collected is 79% of the \$9 million budget, which is \$456K higher than anticipated.

Revenue (by Fund): Of the \$37.5 million revenue received to date, 52% is in the General Fund, 25% is in the Water/Wastewater Fund and 6% is in the Landfill Fund.

Revenue (Budget vs. Actual): We have received 86% of the total budgeted revenues through June, which is \$3.6 million more than anticipated due to taxes, charges for services, and other revenue such as investment income, donations, and debt proceeds.

Revenue (Prior Year Comparison): We received \$22.5 million less in revenue through June than last year to date due to debt proceeds; however we have received \$1.5 million more in taxes, \$505K more in intergovernmental, and \$407K more in charges for services over last year to date.

Expenditures (by Fund): Of the \$44.6 million spent to date, 43% is in the Water/Wastewater Fund, 38% is in the General Fund, 8% in the Capital Projects Fund, and 4% in the Landfill Fund.

Expenditures (Budget vs. Actual): We have expended 48% of the total budgeted expenditures through June, which is almost \$22.9 million less than anticipated due to personnel, contractual and capital outlay.

Expenditures (Prior Year Comparison): We spent \$11 million more in expenditures through June than last year to date, the bulk of which is capital outlay.

SEDA Revenue Comparison: SEDA has received an overall 84% of budgeted revenue through June, which is \$50,000 more than last year to date and \$80,000 more than anticipated due to taxes and interest income.

SEDA Expenditure Comparison: SEDA has spent an overall 39% of budgeted expenditures through June, which is \$346,000 more than last year to date due to personnel and grant disbursements but \$652K less than anticipated due to capital outlay and grant disbursements.

City Portfolio by Investment: The City of Stephenville's total market value of cash and investments on June 30, 2023, was \$66,249,726. This is allocated 4% in demand accounts, 1% in cash/money market accounts, 2% in Certificates of Deposits, less than 1% in US Treasuries, 55% in TexStar investment pool, and 38% in TexPool investment pool.

We earned \$837K in interest for the quarter. The average yield to maturity for all account types for the quarter was 4.83%. The average yield to maturity for investment accounts for the quarter was 4.95%. The average yield to maturity for a 3-month treasury bill for the quarter was 5.08%.

STEPHENVILLE ECONOMIC DEVELOPMENT AUTHORITY REPORT

Jeff Sandford, Executive Director

No report was given at this time.

CONSENT AGENDA

17. Consider Approval of Minutes - July 11, 2023

18. Consider Acceptance of the 536 Well Field Transmission Line Project

MOTION by Justin Haschke, second by David Baskett, to approve Consent Agenda items. MOTION CARRIED unanimously.

COMMENTS BY CITY MANAGER

Reminder over the next month and a half we will have several meetings as they relate to our budget and tax rate for next year. We encourage citizens to follow along and participate.

City offices will be closed September 4 in observance of Labor Day.

COMMENTS BY COUNCIL MEMBERS

LeAnn Durfey

- Thanks to all that came out to support the Summer Concert Series and thanks to all that helped put that together.
- With school starting in the next few weeks, let's remember to show some grace and welcome all the returning and new students and parents.

David Baskett

- It is a great time to live in Stephenville! Thanks to all that make Stephenville a great place to live.

Mayor Pro Tem recessed the Regular City Council Meeting at 6:04 PM and convened the Executive Session at 6:11 PM.

EXECUTIVE SESSION

In compliance with the provisions of the Texas Open Meetings Law, Subchapter D, Government Code, Vernon's Texas Codes, Annotated, in accordance with

- 19. Section 551.071. Consultation with Attorney** - to Consult Over a Pending or Contemplated Litigation
- 20. Section 551.071. Consultation with Attorney** - to Consult Over a Pending or Contemplated Litigation
- 21. Section 551.087. Deliberation Regarding Economic Development Negotiations** - Project Reload
- 22. Section 551.074. Personnel Matters** - to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:
 1. City Secretary
 2. Director of Administrative Services
 3. Director of Development Services
 4. Director of Finance
 5. Director of Parks and Leisure Services
 6. Director of Public Works
 7. Fire Chief
 8. Police Chief

Mayor Pro Tem adjourned the Executive Session at 7:18 PM and reconvened the Regular City Council Meeting at 7:19 PM.

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

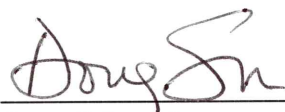
- 22. Section 551.074. Personnel Matters** - to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:
 - 1. City Secretary**
 - 2. Director of Administrative Services**
 - 3. Director of Development Services**
 - 4. Director of Finance**
 - 5. Director of Parks and Leisure Services**
 - 6. Director of Public Works**
 - 7. Fire Chief**
 - 8. Police Chief**

MOTION by Brandon Greenhaw, second by LeAnn Durfey, to authorize change in the City of Stephenville's Personnel Policy 4.02 – Vacation Leave as presented in Executive Session. MOTION CARRIED unanimously.

ADJOURN

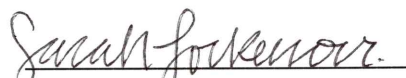
Mayor Pro Tem adjourned the Regular City Council Meeting at 7:20 PM.

Note: The Stephenville City Council may convene into Executive Session on any matter related to any of the above agenda items for a purpose, such closed session allowed under Chapter 551, Texas Government Code.



Doug Svien, Mayor

ATTEST:



Sarah Lockenour, City Secretary

