



COUNCIL COMMITTEE MEETINGS

City Hall Council Chambers, 298 West Washington Street
Tuesday, March 16, 2021 at 5:30 PM

AGENDA

FINANCE COMMITTEE

Mark McClinton, Chair; Justin Haschke, Brandon Huckabee, Brady Pendleton

1. Call to Order
- [2.](#) Creation of TIRZ No. 1C
3. Adjourn

PARKS AND LEISURE SERVICES COMMITTEE

Nick Robinson, Chair; Justin Haschke, Brandon Huckabee, Alan Nix

4. Call to Order
- [5.](#) Replacement Mowers
6. Adjourn

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.

Notice is hereby given that members of the Stephenville City Council may participate in this meeting via teleconference or videoconference as allowed by Governor's Order due to the COVID-19 pandemic. As allowed by this Order, a quorum may not be present in a physical location.

Pursuant to Section 418.108(g) of the Texas Government Code, a Declaration of Local Disaster issued on April 22, 2020, and in the interest of public health, the city has exercised its right to limit ingress and egress in public buildings. As such, the public will be allowed into city facilities to attend the meeting on a limited basis.

Those wishing to address the Stephenville City Council may do so in person. Written correspondence may also be mailed to City Hall or emailed to Staci King, City Secretary, at slking@stephenvilletx.gov. Written correspondence must be received by 3:00 p.m. on March 16, 2021. For alternate arrangements, please contact Ms. King at least 48 hours prior to the meeting.

The meeting is available for viewing via livestream on the City's Facebook Page (City of Stephenville – City Hall).

In accordance with the Americans with Disabilities Act, persons who need accommodation to attend or participate in this meeting should contact City Hall at 254-918-1287 within 48 hours prior to the meeting to request such assistance.



STAFF REPORT

SUBJECT: Creation of TIRZ No. 1C

DEPARTMENT: Administration

STAFF CONTACT: Allen Barnes

RECOMMENDATION:

Staff respectfully recommends proceeding with the development of Stephenville Tax Increment Reinvestment Zone No. 1C.

BACKGROUND:

The City of Stephenville is currently experiencing unprecedented growth in commercial development. One of the areas that developers have expressed interest in is the acreage south of the intersection of Highway 377 and Wolfe Nursery Road. There has also been a significant interest in the property near Christy Plaza. This recommendation will include Lockhart Road.

If a positive recommendation to create TIRZ 1C is an attractive alternative we might want to take a look at how much of the tax increment we will be willing to place into the TIRZ.

FISCAL IMPACT SUMMARY:

The cost to develop TIRZ 1C is \$ 37,500 plus reimbursables. The cost to develop TIRZ 2 will be the same.

ALTERNATIVES

1. Create TIRZ No. 2
2. Decide to reduce the size of the recommended area
3. Decide to not recommend the expansion or creation of a TIRZ for this area



STAFF REPORT

SUBJECT: Replacement Mowers
DEPARTMENT: Parks and Leisure Services
STAFF CONTACT: Kelli Votypka

RECOMMENDATION:

Staff recommends the purchase of a Toro 4100D 124" mower with a leaf mulching kit which will be beneficial at the cemetery and city park to keep leaves cleaned up throughout the fall and winter season. Staff also recommends the purchase of two Scag mowers, one is a 52" deck and 61" deck.

BACKGROUND:

Three out of five mowers used by the Parks and Leisure Services Department have not been functioning at the level needed to accommodate the mowing schedule and quality of work deemed for these pieces of machinery. Currently 2 are operational. The volume of property the maintenance staff covers is vast for the quality of equipment they currently have. Areas that they mow include: City Park, including 10 outfields, Bill Johnson and Optimist Jaycee Park, Airport, Fire Training Center, Municipal Services Center, Cowboy Plaza, Library and Museum for an estimated total of 250 plus acres.

FISCAL IMPACT SUMMARY:

A grand total for repairs to these three essential mowers is \$24,319.03. Mowing season is right around the corner and with the astronomical expense to repair these older pieces of equipment and high probability they will need to be serviced and out of commission mid-season. This will impact the mowing season and cause a delay to complete areas of the parks and around the city. It is my recommendation to auction these older three mowers and purchase three new mowers.

- A 2006 4100 D 124" Rotary Deck Toro, repair cost of \$15,447.50 plus \$536.76 for diagnostic.
 - Total repair cost for this mower is \$15,984.26.
- 2008 54" Rotary Deck Kubota, repair cost is \$3809.33
- 2008 60" Rotary Deck Kubota, repair cost is \$4525.44
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Finance to Purchase Option:

Through Governmental Capital Cooperation we can purchase the proposed mowers under a five year plan with an interest rate of 2.997%. An annual payment of \$20,207.33 plus a one-time payment of \$500.00 for documentation and processing fee for five years. **The total price for all three pieces of equipment over a five year finance plan at 2.997% interest is \$101,036.65.** The first annual payment in 2021 will provide us a savings of \$3,611.70 due to the total repair cost. Parks and Leisure Services are not able to guarantee continued expenses throughout the year with these older pieces of equipment. With the payment plan there is a total of \$8,417.67 over the 5 years due to interest.

Lease Options:

A 5 year lease program for the Toro 4100D has two different options.

FMV = Fair Market Value (True Lease). At the end of the terms you will turn it back in / OR purchase the piece for what the Fair Market Value is at the time based on hours, condition, etc.

- \$13,926.00 annually for five years
 - \$69,630.00 total for five years
 - \$27,000 purchase price at end of lease

CSC = Conditional Sales Contract (\$1 buyout). At the end of the terms you will pay \$1 and own the piece of equipment.

- \$15,942.96 annually for five years
 - \$79,714.80 total at end of five years
 - \$1 to purchase at end of five years

A five year lease program at 3.90% for the Scag Mowers would cost the city:

\$10,660 Scag 52"

- \$2,400 annually for five years
 - \$12,000 total for five years

\$10,923 Scag 61"

- \$2,500 annually for five years
 - \$12,500 total for five years

There is a \$450 per mower charge for documentation fee, PA-additional and \$50 for title. To purchase the mower there it cost 32% of total cost spent equals \$32,340.00.

Combined total for three mowers at the end of the lease program is \$112,054.80.

The lease option is more expensive than the five year payment plan. With a lease you either have to pay a lump sum to purchase at the end of finance plan which is equivalent to an annual payment, or you have to sign up for another lease option plan. There is no need for this option as the life expectancy of mowers is 10 to 12 years. To ensure equipment is meeting all maintenance needs based on hours and usage, staff has developed a maintenance and inventory log for equipment and machinery, as it has not been completed in the past. Based on the maintenance inventory staff recommends that every five years three mowers are replaced.

Staff recommends to purchase two Scags and a Toro 4100 D mower through the Governmental Capital Cooperation purchase agreement in the amount of \$20,207.33 annually for five years.

ALTERNATIVES

To purchase one or two mowers instead of three, but this will impact the park maintenance crew from being able to keep the parks mowed and presentable to the community. Staff recommendation can be rejected and tasked with finding another solution.