



REGULAR CITY COUNCIL MEETING

City Hall Council Chambers, 298 West Washington Street
Tuesday, August 2, 2022 at 5:30 PM

MINUTES

The City Council of the City of Stephenville, Texas, convened on Tuesday, August 2, 2022, 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 Doug Svien
Council Member LeAnn Durfey
Council Member Justin Haschke
Council Member Bob Newby
Mayor Pro Tem Ricky Thurman
Council Member David Baskett
Council Member Gerald Cook
Council Member Mark McClinton

COUNCIL ABSENT: None

OTHERS ATTENDING: Jason M. King, City Manager
Randy Thomas, City Attorney
Tina Cox, Executive Assistant

CALL TO ORDER

Mayor Svien called the meeting to order at 5:30 PM.

PLEDGES OF ALLEGIANCE

Chief Dan Harris, City of Stephenville Police Department led the Pledges of Allegiance to the flags of the United States and of the State of Texas.

INVOCATION

The invocation was voiced by Pastor David Whitman of the Stephenville Ministers' Alliance.

PRESENTATIONS AND RECOGNITIONS

Presentation of Check for State Farm Grant to SPARD

Casey Cumby, State Farm Agent, made a presentation to SPARD representing a grant in the amount of \$25,000.

Administer Oath of Office for SPD Officer Kiegan Basso

Police Chief Dan Harris administered the Oath of Office to SPD Officer Kiegan Basso.

CITIZENS GENERAL DISCUSSION

The following person spoke for the group Seniorstreet.org for ten minutes regarding the location of the new Senior Citizens Center:

Joe Carter 244 N Vine, Stephenville informed the City Council that an attorney had been retained in regard to preservation of the Legacy Tree.

The following person spoke for three minutes regarding the location of the new Senior Citizens Center:

Marsha Stevens 785 Bluebonnet, Stephenville shared her concerns in regard to urban zoning and the placement of the Senior Citizens Center.

The Mayor recessed the Open Meeting at 5:50 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

27. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluations, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: City Manager

Mayor Svien called the meeting into Executive Session at 5:51 PM.

The Executive Session was adjourned at 6:01 PM.

Mayor Svien called the meeting back into regular session at 6:03 PM.

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

27. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluations, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: City Manager

MOTION by Ricky Thurman, second by LeAnn Durfey, to approve the Agreement for Professional Services and Employment as City Manager with Jason King as discussed in Executive Session. MOTION CARRIED with a unanimous vote.

REGULAR AGENDA

1. Consider Acceptance of Resignation of Council Member Place 3 Daron Trussell

City Manager Jason King briefed the City Council that Mr. Trussell submitted his resignation pursuant to his application to the Parks and Leisure Services Director for the city and after completing the hiring process, he had been selected to fulfill the position.

Mayor Svien appointed David Baskett as the interim chair of the Parks and Leisure Services Committee.

MOTION by Mark McClinton, second by Justin Haschke to accept Daron Trussell's resignation. MOTION CARRIED with a unanimous vote.

2. Consider Approval of Order of Special Election for November 8, 2022

In response to the vacancy that was created by Mr. Trussell's resignation, City Manager Jason King informed the City Council that the City Charter requires that the unexpired term must be filled through a special election held on the next available date. Mr. King asked Mayor Svien to call a special election.

MOTION was made by Ricky Thurman, second by David Baskett, to order a special election on November 8, 2022 to fill City Council Place 3 unexpired term. MOTION CARRIED with a unanimous vote.

3. Consider Approval of Purchase of Vehicle for Street Department

Nick Williams, Public Works Director told the Council that the adopted FY21-22 budget included a pickup for the Street Department. A single bid for the Street Department ¾-ton pickup truck was received on 11/26/2021 from Silsbee Ford for \$47,325.00. Because the original bid was significantly higher than budgeted, staff waited for vehicle demand and prices to subside. However, prices continued to rise. Additionally, there was no guarantee when the truck would be available for delivery in 2022. Mr. Williams stated that Bruner Motors has agreed to sell a 2022 ¾-ton Ram, discounted from \$46,310.00 to \$44,011.75 off the lot. The adopted FY21-22 budget allocated \$38,000 for the truck leaving a negative balance of \$6,011.75. Outfitting with safety lights, trailer brakes, a toolbox, and the city's markings is estimated to cost approximately \$3,000. Mr. Williams requests \$9,000 to be allocated from the bridge maintenance account to cover the difference which has a current balance of \$20,000.

The Council discussed where the money would be allocated from and that the additional items and truck would be delivered in a timely manner.

MOTION by Justin Haschke, second by Mark McClinton, to approve the request for an additional \$9,000 to cover the purchase of a 2022 ¾-Ton Ram with \$9,000 from the Bridge Maintenance Account moved over to cover the cost of the purchase of the vehicle. MOTION CARRIED with a unanimous vote.

4. Consider Resolution Approving a Negotiated Settlement Between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division Regarding the Company's 2022 Rate Review Mechanism Filing

City Manager Jason King advised the Council that the City was notified by Atmos Cities Steering Committee that Atmos had filed a rate case with the state of Texas similar to Oncor's. After review, a Fair settlement with Atmos was negotiated for the cities that are in the group represented. Mr. King concluded with a request to Council to adopt the resolution that will support the settlement.

MOTION by Mark McClinton, second by Ricky Thurman, to adopt RESOLUTION 2022-R-15 approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division. MOTION CARRIED with a unanimous vote.

PLANNING AND ZONING COMMISSION

Steve Killen, Director of Development Services

5. Public Hearing

Case No.: PD2022-007 (This item was pulled from the agenda)

Taylor Kanute, representing LK Capital Investments, LLC, is requesting a rezone of property located at 415 E. Tarleton, Parcel R29529, being Block 56, Lot 2, of City Addition to the City of Stephenville, Erath County, Texas, from Central Business District (B-3) to Planned Development (PD).

6. **Consider Approval of Ordinance Rezoning Property Located at 415 E Tarleton, Parcel 29529, Being Block 56, Lot 2, of City Addition to the City of Stephenville, Erath County, Texas, from Central Business District (B-3) to Planned Development (PD)** (This item was pulled from the agenda)
7. **Public Hearing**

Case No.: RZ2022-014

Applicant Austin Tullos, representing Sullivan Properties, LLC, is requesting a rezone of property located at 1040 and 1050 Oak, Parcel R31508 and R31509, being Block 4, Lot 1, 2 and 3, of Frey Second Addition to the City of Stephenville, Erath County, Texas, from Multifamily District (R-3) to Integrated Housing District (R-2.5)

Steve Killen, Development Services Director, briefed the Council on the case. Mr. Killen gave some background to the case by mentioning that the future land use for this parcel is single family. The applicant is requesting R-2.5 zoning to construct a five-unit townhome whereby units will be individually platted. Each unit will have four bedrooms. Mr. Killen said that the preliminary site plan has been reviewed by staff and notable comments are as follows: 1) Lot sizes are shown to be 24x40. Minimum dimension requirements are 30'x100'. 2) The setback on Oak Street is approximately one foot less than the required 15' for a corner lot. 3) Adequate "common" parking is provided; however, the units do not have dedicated parking.

Mr. Killen stated that the Planning and Zoning Commission convened on July 20, 2022, to hear the case. The Commission had received two letters of opposition and several persons spoke in opposition of the rezone. Mr. Killen concluded his brief by stating that the Commission's motion to deny the rezone request resulted in a vote of 1-5 which in turn caused the case to move forward to Council without a recommendation.

Mark McClinton asked if parking issues had been addressed and Ricky Thurman voiced his concerns in regard to the project not being able to be built in the current zoning.

Mayor Svien opened the Public Hearing at 6:18 PM.

Mr. Austin Tullos was present to answer questions.

No one spoke in favor of or in opposition to the request and the Mayor closed the Public Hearing at 6:18 PM.

8. **Consider Approval of Ordinance Rezoning Property Located at 1040 and 1050 Oak, Parcel R31508 and R31509, being Block 4, Lot 1, 2 and 3, of Frey Second Addition to the City of Stephenville, Erath County, Texas, from Multifamily District (R-3) to Integrated Housing District (R-2.5)**

MOTION BY Ricky Thurman, second by Bob Newby, to deny rezoning RZ2022-014. MOTION CARRIED with the following 4-3 vote: AYES: Durfey, Newby, Thurman, McClinton; NOES: Haschke, Baskett, Cook

PARKS AND LEISURE SERVICES COMMITTEE

David Baskett, Interim Chair

9. **Parks and Leisure Services Committee Report**

David Baskett, interim Chair, gave the committee report.

10. **Consider Approval of Award of Contract with Whirlix Design, Inc. for the Installation of Phase 1 of the Inclusive Playground at City Park in the Amount of \$176,896.00.**

Tom Henry, Interim Parks and Leisure Director informed the Council that Staff received a quote from Whirlix Design, Inc. for the installation of Phase 1 of the Inclusive Playground at City Park in the amount of \$176,896.00. City Council had approved \$100,000 in FY21/22 budget for the playground and an

additional \$93,000.00 in funds were raised through grants and fundraisers that included the State Farm grant.

MOTION by David Baskett, second by Gerald Cook to approve the Phase One Inclusive Playground Funding in the amount of \$176,896.00. MOTION CARRIED with a unanimous vote.

11. Consider Approval to Proceed with Senior Citizens Center Project on Vine Street

Interim Committee Chair David Baskett reported that on July 18th the Parks and Leisure Service Committee met to discuss the placement of the proposed Senior Citizens Center and voted unanimously to recommend to Council to proceed with the project as it sits on Vine Street.

MOTION by David Baskett, second by Ricky Thurman, to Proceed with Senior Citizens Center Project on Vine Street. MOTION CARRIED with the following 5-2 vote: AYES: Durfey, Haschke, Thurman, Baskett Cook; NOES: Newby, McClinton

PUBLIC WORKS COMMITTEE

Mark McClinton, Chair

12. Public Works Committee Report

Mark McClinton, Chair gave the committee report.

13. Consider Approval of a Professional Services Agreement with Jacob & Martin, LLC. for the design of Brick Street Reconstruction Projects on College and Belknap

Committee Chair Mark McClinton reported that the Public Works Committee met on July 19th to consider this item and voted to present a positive recommendation to the Council for approval of a Professional Services Agreement from Jacob & Martin, LLC

Nick Williams, Public Works Director, briefed the Council that prior experience with this firm was positive and that the firm has in-house staff for survey as well as material testing. It was confirmed that the design included the intersection of College and Belknap as well as the replacement of cast iron water lines and clay sewer lines under College and Belknap. It was also confirmed that the cost was approximately 6.5% less than estimated and the funds would come from the annual capital street fund. Sufficient funds are available in the FY21-22 budget.

MOTION by Mark McClinton, second by Gerald Cook, to approve a Professional Services Agreement with Jacob & Martin for the design of the Brick Street engineering as presented. MOTION CARRIED with a unanimous vote.

DEVELOPMENT SERVICES COMMITTEE

Gerald Cook, Chair

14. Development Services Report

Gerald Cook, Development Committee Chair reported on the meeting that the Development Services Committee had on July 19th. Mr. Cook stated that consideration was given to expanding the permitted uses of the Industrial District (I) in relation to alcohol sales. Mr. Cook informed the Council that following a discussion amongst Committee members, a motion was made by Councilman Haschke, seconded by Councilman Baskett, to assign the Planning and Zoning Commission to hold a public hearing at the next regularly scheduled meeting to discuss including alcohol sales within the Industrial District (I). The Motion carried with a unanimous vote. Consider Approval of Resolution Establishing Technically Based Local Limits Required by TCEQ for Wastewater Discharges

Mr. Cook reported that the Committee assigned staff to begin a review of the Thoroughfare Plan and provide periodic updates to the Committee. The Committee will also review the Thoroughfare Plan in the future.

NOMINATIONS COMMITTEE

David Baskett, Chair

15. Nominations Committee Report

David Baskett, Chair gave the committee report.

16. Consider Approval of Appointments to Citizen Boards and Commissions

David Baskett, Chair, reported that on July 19th the Nominations Committee met to decide who to nominate for the various positions that were open on the Planning and Zoning Commission and the Board of Adjustments. All nominees were presented to the Council, except for JJ Conway who was absent.

MOTION by David Baskett, second by Ricky Thurman to make the following appointments:

Planning and Zoning Commission, Alternate 1, Term set to expire December 31, 2023 – Paul Ashby

Board of Adjustment, Place 3, Unexpired Term set to expire December 31, 2022 – Dean Parr

Board of Adjustment, Alternate 1, Term set to expire December 31, 2023 – JJ Conway

MOTION carried by unanimous vote.

FINANCE COMMITTEE

Justin Haschke, Chair

17. Finance Committee Report

Justin Haschke, Chair gave the committee report.

18. Consider Acceptance of Annual Comprehensive Finance Report for the period Ending September 30, 2021

Mike Brooks, an audit partner with Brooks, Watson and Company presented the Annual Financial Report ending September 30, 2021 that gave a summary of the audit process which was broken into three phases, components of the report itself, and financial highlights.

MOTION by Justin Haschke, second by Mark McClinton, to accept the Annual Comprehensive Finance Report as presented. MOTION CARRIED with a unanimous vote.

FINANCIAL REPORTS

Monica Harris, Director of Finance

19. Monthly Budget Report for the period Ending June 30, 2022

Monica Harris, Director of Finance, gave the following report:

In reviewing the financial statements ending June 30, 2022, the financial indicators are overall as or better than anticipated.

Property Tax

We received \$16K in property taxes in the month of June, resulting in \$56K or .84% increase over funds collected last fiscal year to date. The amount collected is 98.01% of budget, which is \$69K less than anticipated.

Sales Tax

We received \$686K in sales tax in June, resulting in \$649K or 11.51% more than the funds collected last fiscal year to date. The amount collected is 85.8% of the \$7.3 million budgeted, which is 13.14% or \$963K higher than anticipated.

Revenue (Budgetary comparison)

The target budget for operating revenue is \$23.1 million. We received \$26.2 million in operating revenue fiscal year to date, resulting in \$3.18 million over the target budget due to sales taxes, franchise tax, hotel occupancy tax, sports venue tax, service charges, insurance proceeds, sale of assets, and donations.

Expenditures (Budgetary comparison)

The target budget for operating expenditures is \$16.7 million. We expended \$16.3 million in operating expenditures fiscal year to date, resulting in \$320K under the target budget.

Revenue (Prior year comparison)

Operating revenue received last year was \$23.1 million as compared to the current year's \$26.2 million, resulting in a \$3.16 million increase due to property tax, sales taxes, mixed drinks tax, franchise taxes, hotel occupancy taxes, sports venue taxes, service charges, building and food service permits, insurance proceeds, sale of assets, and donations.

Expenditures (Prior year comparison)

Operating expenditures last year were \$15 million as compared to the current year's \$16.3 million, resulting in a \$1.3 million increase due to personnel, outside professional services, utilities, fuel, and maintenance.

Investments

The total market value of cash and investments on June 30, 2022 was \$72,817,207. This is allocated 2% in demand accounts, 2% in Certificates of Deposits, less than .25% in US Treasuries, 53% in TexStar investment pool, and 43% in TexPool investment pool.

We earned \$115,139 in interest for the quarter. The average yield to maturity for all account types for the quarter was 0.76%. The average yield to maturity for investment accounts for the quarter was 0.86%. The average yield to maturity for a 3-month treasury bill for the quarter was 1.09%.

STEPHENVILLE ECONOMIC DEVELOPMENT AUTHORITY REPORT

Jeff Sandford, Executive Director

Mr. Sandford reported on population growth in the United States and Stephenville as a whole.

CONSENT AGENDA

- 20. Approval of Minutes – July 5, 2022 Regular City Council Meeting**
- 21. Approval of Minutes – July 19, 2022 Special City Council Meeting**
- 22. Consider Approval of Expenditure for Axon Camera Contract Year 1**
- 23. Consider Approval of Annual Agreement between the City of Stephenville and the Texas Department of Transportation Regarding Landscaping of Medians and Right-of-Ways**
- 24. Consider Approval of Resolution Establishing Technically Based Local Limits Required by TCEQ for Wastewater Discharges (Mayor pulled this item off the agenda)**

25. Consider Approval to Sell Auction Items

MOTION by Mark McClinton, second by David Baskett, to approve the Consent Agenda as presented minus item 24. MOTION CARRIED by unanimous vote.

COMMENTS BY CITY MANAGER

Jason King thanked the Council for the opportunity to serve the community.

Saturday, August 6 – Farmer’s Market in Downtown

Monday, September 5 – City offices will be closed in observance of Labor Day

Tuesday, September 6 – Regular City Council Meeting

Tuesday, August 16, Wednesday, August 17 and Thursday, August 18 – Special City Council Budget Work Sessions

COMMENTS BY COUNCIL MEMBERS

LeAnn Durfey wanted to congratulate Jason King and Daron Trussell on their new positions.

Justin Haschke congratulated Jason King and Daron Trussell on their new appointments.

Bob Newby congratulated Jason King and Daron Trussell.

Ricky Thurman expressed his congratulations to Jason King and Daron Trussell.

David Baskett echoed Mr. Thurman’s sentiments in congratulating Jason King and Daron Trussell.

Gerald Cook articulated his congratulations to Jason King and Daron Trussell.

Mark McClinton congratulated Jason King and Daron Trussell on their new positions and he wanted to mention how helpful animal control officer Casey Randolph was in helping to rectify the racoon issue that he and his neighbors had been experiencing.

The Mayor recessed the Open Meeting at 7:11 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

- 26. Section 551.087 Deliberation Regarding Economic Development Negotiations - Project Pearl**
- 28. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Parks and Leisure Director**
- 29. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Assistant City Manager**
- 30. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Director of Administrative Services**

Mayor Svien called the meeting into executive session at 7:12 PM.

The Executive Session was adjourned at 7:50 PM.

Mayor Svien called the meeting back into regular session at 7:51 PM.

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

28. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Parks and Leisure Director

MOTION by David Baskett, second by Mark McClinton, to approve the salary for the Parks and Leisure Director as discussed in Executive Session. MOTION CARRIED with a unanimous vote.

29. Section 551.074 Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: Assistant City Manager

MOTION by Ricky Thurman, second by Gerald Cook, to eliminate the Assistant City Manager’s position and approve the position of Director of Administrative Services as discussed in Executive Session. MOTION CARRIED with a unanimous vote.

ADJOURN

With no further business to come before the City Council, the Mayor adjourned the meeting at 7:52 PM.

Doug Svien, Mayor

ATTEST:

Terri Johnson, Interim City Secretary

Minutes prepared by Tina Cox, Executive Assistant