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

**September 6, 2022**
**7:00 p.m.**

An Executive Session was held at 6:30 p.m. in accordance with Texas Government Code, Title 5, Chapter 551 - §551.071, Consultation with Attorney; and §551.087 Deliberations Regarding Economic Development Ashoka Steel.
Mayor Douglas Moore called the regular session of the City Council to order at 7:00 p.m. The following council members and staff were present:

| | |
|---|---|
| Present: | Mayor Douglas Moore<br>Mayor Pro Tem John A. Sellers<br>Councilman Jay W. Julian<br>Councilman Harold Nash Sr.<br>Councilman Oscar Aguilar<br>Councilman Tommy Harrison<br>Councilman Gary Spraggins |
| Absent: | None |
| Staff: | Marc Maxwell, City Manager<br>Natalie Darrow, City Secretary<br>Nate Smith, City Attorney<br>Tory Niewiadomski, Assistant City Manager/Community Development Director -7<br>Lesa Smith, Assistant City Manager/Finance Director -7<br>Gordon Frazier, Assistant City Manager/HR Director-7<br>Roger Feagley, Director of EDC<br>Jason Ricketson, Police Chief– 7 p<br>David James, Fire Chief – 7 p |

**RECONVENE**
Mayor Moore called to order the open session of the regular meeting of the Sulphur Springs City Council to order at 7:00 p.m.

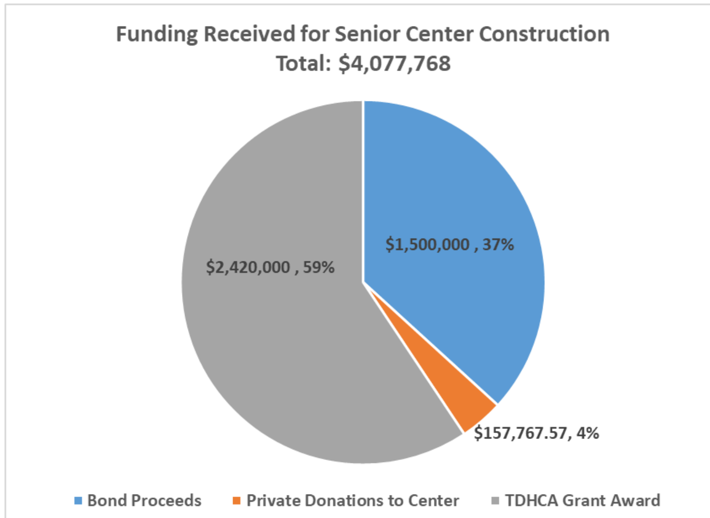
**PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG, TEXAS FLAG, AND INVOCATION**
Mayor Moore led in the pledge of allegiance to the United States Flag and the Pledge to the Texas Flag, and the invocation was led by Councilman Nash.

**PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS**
None.

**MANAGER'S REPORT WILL INCLUDE A STATUS REPORT OF CAPITAL IMPROVEMENTS, MUNICIPAL OPERATIONS, ACCIDENTS AND CLAIMS FOR THE MONTH, AND A REVIEW OF EXPENDITURES AND REVENUES**

**CLAIMS** – We did not have any workers compensation claims in August. We had one minor liability claim in August.

**SENIOR CITIZENS CENTER**




We have been awarded a $2.4 mil grant from the Texas Department of Housing and Community Affairs (TDHCA). This does not mean that we can get started on the project yet. We must first sign a contract with the TDHCA. Before TDHCA provides a contract for our signature they must finish their environmental clearance process which involves 2 different comment periods, the last of which will conclude September 28th. After that TDHCA says it will take about a week to prepare the contract and forward it to the City. If all goes as planned, we should be able to sign the contract in early October.

It is important to note that if we spend any money on the senior citizen center before the contract is signed, that money will NOT be reimbursed by the grant.

**PACIFIC PARK –** The new bathroom has been installed. It is made entirely of concrete, even the roof. You could roll it down a hill and pick it up and use it. The installers told us that actually happened once.

The old bathroom has been demolished.

XLNT Construction should begin construction on the basketball pavilion soon.

**COLLEGE STREET –** This project is slowly progressing eastward. This contractor is very slow.

**REVENUES AND EXPENDITURES –** Finance Director Lesa Smith will not present a report on revenues and expenditures as she has been deep in the budget this month.

**STREET IMPROVEMENT PROGRAM –** Texana Land and Asphalt has resumed paving the streets on our SIP list. I have crossed out the completed streets on the list below.

| 2022 SIP | | |
|---|---|---|
| Street | Between | Length |
| Jackson | Middle to College | 2480 |
| ~~Kasie~~ | ~~Tate to Camp~~ | ~~681~~ |
| ~~Lee~~ | ~~Davis to League~~ | ~~3099~~ |
| Fore | Main to Connally | 1070 |
| ~~Forrest Ln~~ | ~~Bell to Barbara~~ | ~~1119~~ |
| Garrison | Main to Connally | 940 |
| Glover | Davis to Church | 348 |
| Houston | Hillcrest to League (Delayed to 2023) | 4800 |
| Commercial Serv. | various repair | 442 |
| Como | College to RR | 3317 |
| Dabbs | Gilmer to Davis | 401 |
| Drexel | Broadway to Mockingbird | 1441 |
| Fisher | Spence to Lee | 1500 |
| Ardis | Spence to Beckham | 1880 |
| ~~Azalea~~ | ~~Hillcrest to Main~~ | ~~3648~~ |
| Bonner | Church to Davis | 539 |
| ~~Brinker~~ | ~~Beasley to dead-end~~ | ~~2629~~ |
| ~~California~~ | ~~Church to Seventh~~ | ~~1520~~ |
| Charles | College to Lakeshore | 998 |
| ~~Lee (2021)~~ | ~~Davis to Broadway~~ | ~~1901~~ |
| ~~League (2021)~~ | ~~Bellview to Pampa~~ | ~~3131~~ |
| **Total Linear Feet** | | **37,884** |
| **Total Miles** | | **7.18** |
| **Total Cost** | | **$ 2,012,318.00** |
| **Street Maintenance Fee Cost Estimate** | | **$ 1,072,668.00** |
| **Estimated Street Maintenance Fee Funds Available (Fund Balance Plus Budgeted Revenue)** | | **$ 1,049,101.81** |
| Red Text indicates streets paid for by the Street Maintenance Fee. All other streets are paid for by a transfer from General Fund to Capital Fund. | | |

Elsewhere around the city, employees:

- Reprogrammed school zone lights
- Restored power to Highway 11 lift station.
- Treated wastewater to a daily average total suspended solids reading or .16 mg/L.
- Repaired 40 water main ruptures.
- Replaced 8 water meters.
- Repaired a fire hydrant that was struck by a vehicle.
- Unstopped 22 sewer mains.
- Washed 75,000 feet of sewer mains.
- Repaired 1 sewer main.
- Hauled 386 tons of sludge to the landfill.
- Sold 193 million gallons of potable water.
- Sold 5,328 gallons of AvGas and 13,593 gallons of JetA fuel.
- Checked out 3,766 items from the library plus 742 eBooks.
- Responded to 270 fire/rescue calls including 3 structure fires and a vehicle fire.
- Performed preventative maintenance on 79 fire hydrants.
- Cleaned and repaired the Hopkins County Veterans Memorial fountain.
- Repaired 168 potholes.
- Made 29 extensive street repairs following utility repairs.
- Replaced a few stop signs, speed limit signs and slow, children playing signs.
- Cleaned out stormwater catch basins 3 times.
- Removed 2 fallen trees from the street.
- Demolished and removed structures at 631 sunset, 409 S Moore, and 327 Magnolia.
- Responded to 251 animal control calls.
- Achieved an 80% adoption rate.
- Made 11 felony arrests in the Special Crimes Unit.
- Responded to 42 accidents, wrote 615 citations, recorded 38 offenses, and made 62 arrests on the Patrol Division.
- Conducted 56 building inspections, 23 electrical inspections, 13 plumbing inspections, 3 mechanical inspections and issued 18 building permits.

Assistant City Manager/Finance Director Smith did, in fact, present a report on revenues and expenditures.

**DISCUSSION/ACTION ON CONSENT AGENDA**

City Secretary Darrow presented the staff report. Consider for approval the City Council regular meeting minutes of 08/02/2022, the City Council Special Workshop meeting minutes of 08/02/2022 and 08/09/2022, the City Council Special meeting minutes on 08/23/2022; the

Downtown Revitalization Board Meeting minutes of 05/31/2022; the Planning and Zoning Meeting Minutes of 06/20/2022; the Zoning Board of Adjustments and Appeals meeting minutes of 1/25/2022; the Economic Development Corporation regular meeting minutes of 08/01/2022 and Economic Development Corporation special meeting minutes of 07/11/2022; and a 380 agreement for 506 Putman Street. Councilman Julian moved to approve the consent agenda as presented. Mayor Pro Tem Sellers seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE NO. 2809 APPROVING AN ORDINANCE ESTABLISHING AND IMPLEMENTING A PROGRAM TO CHARGE MITIGATION RATES FOR COSTS INCURRED DURING THE DEPLOYMENT OF EMERGENCY AND NON-EMERGENCY SERVICES, EQUIPMENT, AND FIRST RESPONDERS BY THE SULPHUR SPRINGS FIRE DEPARTMENT WHICH WERE PROVIDED TO NON-RESIDENTS OF SULPHUR SPRINGS, HOPKINS COUNTY, TEXAS**

Fire Chief David James presented the staff report. This allows us to charge non-Hopkins County residents for every emergency response and wreck that the fire department responds to. At a later meeting, we will propose options for a 3rd party billing company. There was a brief discussion. Councilman Spraggins moved to approve the ordinance on the second and final reading as presented. Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING FOR SECOND AND FINAL READING OF ORDINANCE 2810, AN ORDINANCE AMENDING THE 1982 ORDINANCE NO. 889 RELATING TO THE DEFINITIONS AND AUTHORIZED LOCATIONS OF VIDEO GAMING FACILITIES, PREMISES, AND DEVICES WITHIN THE CITY OF SULPHUR SPRINGS**

The existing ordinances regarding businesses who seek customers and revenue from video games were previously passed in 1982. Since that time, technology regarding video games as well as types of gaming venues, types of games offered, possible cash or valuable winnings from patrons, and revenues earned from the gaming industry have changed tremendously. This ordinance modernizes the definitions used for our City to define Video Gaming Facilities, Premises, and Businesses, and gives restrictions for the lawful locations of such gaming businesses within the City. There was a brief discussion. Mayor Pro Tem John Sellers moved to approve the ordinance on the second and final reading as presented. Councilman Spraggins seconded 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**

Mayor Moore opened the public hearing at 7:14 p.m.

There was no one to speak to the issue.

Mayor Moore closed the public hearing at 7:15 p.m.

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2811, THE APPROPRIATIONS ORDINANCE FOR THE CITY OF SULPHUR SPRINGS FOR FISCAL YEAR 2022-2023**

Finance Director/Assistant City Manager Smith presented the staff report. This budget reflects the draft budget discussed during budget workshops with the following changes made:

- Increased COLA from 7% to 9%
- Increased contribution to City Cemetery and Mel Haven Cemetery from $300 per month to $500 per month each.
- Lowered revenue received from County for TIRZ#1 to reflect their proposed rate. County lowered tax rate from $0.584035/$100 to $0.5239/$100. This generates $10,608 less revenue from the TIRZ than proposed in the draft budgets. This means the City will have to transfer in $10,608 more from the general fund than the draft budget showed. The County's FY 2023 contribution will be $1,855 less than FY 2022.

Since the proposed budget was placed on file with the City Secretary, there have been a couple of items that have come up that need to be addressed. Staff asks that council provides direction to include these items as part of the final passage of the budget on September 20, 2022.

- Chemical Cost Increase - $106,888 needs to be added to Water Plant and Wastewater Plant Chemical budgets in total.
- Chemical Cost Increase - As described on the agenda items for Water and Sewer rates, these rates need to increase to cover the added cost of chemicals at the plants.
- TIRZ #1 Revenue and Transfers In- Since the August meeting, the Hospital District has proposed their new tax rate. Their proposed rate decreases from the current $0.22/$100 to $0.192461. This means that instead of the $9,732 contribution that is in the proposed budget, the City will receive $8,514 from the HCHD. This contribution is $282 less than FY 2022. The decrease in revenue means that the City will need to transfer in a total of $43,014 from the general fund to cover the debt payment instead of the proposed transfer of $41,796.
- Increase Airport Fuel revenue and expenditure to reflect the numbers indicated/proposed to be amended in Ordinance No. 2818, Budget Amendment.

There was a brief discussion. Mayor Pro Tem John Sellers made a motion to approve the ordinance on the first reading. Councilman Julian seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2812, SETTING THE TAX RATE FOR THE CITY OF SULPHUR SPRINGS FOR FISCAL YEAR 2022 - 2023**

Finance Director/Assistant City Manager Smith presented the staff report. Property tax rate is set at $0.44 per $100 of valuation as discussed in budget workshops. Taxes for properties on the tax roll as of January 1, 2022 will be assessed October 1, 2022.
As stated below, the Local Government Code requires specific language for the motion, and the ordinance. The percentage increase in the motion is not the same as the percentage increase in the ordinance. The State requires different tax rate calculation for each one. The motion uses the no-new-revenue tax rate, and the ordinance uses the no-new-revenue maintenance & operations rate.

As a reminder, although the tax rate is increasing slightly from $0.42692/$100 to $0.44/$100, taxes paid in for homesteads will decrease because of the homestead exemption of 20% approved by Council in June.

Councilman Julian stated, "I move that the property tax rate be increased by the adoption of a tax rate of $0.44 per 100 dollars which is effectively a 14.78 percent increase in the tax rate." Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2813, SETTING THE WATER RATE**

Finance Director/Assistant City Manager Smith presented the staff report. In August, staff opened bids for chemicals for FY 2023. The cost of chemicals has increased significantly and the rates proposed in August are no longer sufficient to cover the costs of treating water and sewer. This ordinance shows rates as proposed at the August budget meetings. Finance has calculated new rates that would be needed to cover the increase in cost of chemicals. Those rates are in the attached document labeled "Exhibit A". Chemical bids will be presented at this meeting. There was a brief discussion, Councilman Harrison made a motion to approve the ordinance on the first reading as presented. Councilman Aguilar seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2814, SETTING THE SEWER RATE**

Finance Director/Assistant City Manager Smith presented the staff report. In August, staff opened bids for chemicals for FY 2023. The cost of chemicals has increased significantly and the rates proposed in August are no longer sufficient to cover the costs of treating water and sewer. This ordinance shows rates as proposed at the August budget meetings. Finance has calculated new rates that would be needed to cover the increase in cost of chemicals. Chemical bids will be presented at this meeting. There was a brief discussion. Councilman Spraggins made a motion to approve the ordinance on the first reading as presented. Councilman Harrison seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2815, SETTING THE SANITATION RATE**

Finance Director/Assistant City Manager Smith presented the staff report. Sanitation rates as noted in the budget workshops are proposed to increase by 9.8% to reflect contract provisions. The table below shows the past 5 years of actual contract increases based on CPI-W (as of October) and then the City's increase in rates that are decided on in September. Over the 5-year period, the contract increases have totaled 3.7% more than what the City has passed on to users.

| Year | 2017 | 2018 | 2019 | 2020 | 2021 | Avg increase | Total Increase |
|---|---|---|---|---|---|---|---|
| CPI-W | 2.05% | 2.69% | 1.56% | 1.27% | 6.88% | **2.89%** | **14.45%** |
| City Rate Increase | 2.25% | 2.00% | 1.50% | 0.00% | 5.00% | **2.15%** | **10.75%** |

There was a brief discussion. Councilman Julian made a motion to postpone the ordinance until there were more accurate numbers. Councilman Spraggins seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION – FIRST READING OF ORDINANCE NO. 2816 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SULPHUR SPRINGS, TEXAS, AMENDING ORDINANCE NO. 2799, THE MASTER FEE SCHEDULE FOR COSTS, FEES AND RATES ASSOCIATED WITH PERMITTING, UTILITY SERVICES AND OTHER SERVICES PROVIDED BY THE CITY**

Finance Director/Assistant City Manager Smith presented the staff report. The purpose of user fees is for the City to recoup the cost (or most of the cost) of providing a service to an individual benefactor rather than putting the burden on all citizens. Staff has reviewed fees and is recommending that the fees be increased. Councilman Julian was questioning other possibilities to recoup some of the cost. City Manager Maxwell let him know that he would explore other possible avenues and report back to the council. There was a brief discussion. Mayor Pro Tem Sellers made a motion to approve the ordinance on the first reading as presented. Councilman Spraggins seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION ACTION ON FIRST READING OF ORDINANCE NO. 2817, AUTHORIZATION OF UPDATED SERVICE CREDITS**

HR Director/Assistant City Manager Frazier presented the staff report. Staff recommends the city continues with the updated service credits for all current full-time employees. We choose to act on this annually so we have the option to discontinue at any time, which we have done for periods in the past. Our 2023 TMRS contribution rate is 7.26% without updated service credits and increases to a total rate of 7.55% with the adoption of updated service credits. The cities funded ratio will decrease slightly from 97.9% to 97.4%. The additional cost of the updated service credits is estimated at $26,772.20 for 2023 fund year.

Updated Service Credits enhance each retirement account of current employees for inflationary factors above specific thresholds. Inflation decreases your buying power if you are on a fixed income, or if a lot of your retirement is based on the value of money from retirement contributions made early in your career while at a much lower wage. The higher inflation is over time combined with a large salary increase, the more problematic the issue can become. Updated Service Credits apply an actuarial formula to help mitigate that issue account by account.

There was a brief discussion. Councilman Julian made a motion to approve the ordinance on the first reading as presented. Mayor Pro Tem Sellers seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION- FIRST READING OF ORDINANCE NO. 2818 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SULPHUR SPRINGS, TEXAS, AMENDING ORDINANCE NO. 2798, THE 2021-2022 ANNUAL BUDGET ORDINANCE**

Finance Director/Assistant City Manager 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. An explanation of what expenditures and revenues are changing as well as the reason for the changes is included as Exhibit A of the Ordinance. Although the fuel expense and revenue were part of the budget amendment approved in July, it was not adjusted enough to cover the cost of fuel. Airport Director, Joey Baker, reports that volume has increased since the last budget amendment which has resulted in one or more fuel purchases than expected. There was a brief discussion. Councilman Aguilar made a motion to approve the ordinance on the first reading as presented. Councilman Spraggins seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON RESOLUTION NO. 1310, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SULPHUR SPRINGS, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE AND ATMOS ENERGY CORPORATION**

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute. There was a brief discussion. Councilman Spraggins made a motion to approve the resolution as presented. Councilman Harrison seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON RESOLUTION NO. 1311, AN ANNUAL REVIEW OF THE INVESTMENT POLICY AS REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT**

Finance Director/Assistant City Manager Smith presented the staff report. Annual review and approval of investment policy as required in the Public Funds Investment Act (PFIA). 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 the requirements of the Texas Government Code, Public Funds Investment Act. There was a brief discussion. Mayor Pro Tem Sellers moved to approve the resolution as presented. Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON SIDEWALK COMMITTEE APPOINTMENTS**

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. In June, the city council authorized the establishment of an advisory sidewalk committee. Staff has received names of members interested in serving on the committee. Staff recommends that the City Council appoint the following members to the advisory sidewalk committee:

- Pat Chase
- Michael Lamb
- Billie Ruth Standbridge
- Morgan Standbridge
- Don Roundtree
- Neal Barker

Councilman Spraggins made a motion to approve the recommended members. Mayor Pro Tem Sellers seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON ASSET FORFEITURE BUDGET**

Chief of Police Ricketson presented the staff report. State law requires Governing body to accept Department Asset Forfeiture Budget. Current Balance $295,659.56. Asset Forfeiture money is acquired from cash and liquidation of forfeited property from narcotic related enforcement.

Proposed Expenditures for 2022 – 2023

1. Equipment (body cameras, radios, license plate reader, radars, etc.)
   Total $20,000

Mayor Pro Tem Seller moved to approve the Asset Forfeiture Budget as presented. Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**<u>DISCUSSION/ACTION ON BIDS FOR BAR SCREEN AT WASTEWATER TREATMENT PLANT</u>**

Director of Utilities James Jordan presented the staff report. The City advertised for bids for one bar screen at the Wastewater Treatment Plant.

The bids received on August 10, 2022 are as follows:

| | |
|---|---|
| Franklin Miller INC | $94,950.00 |
| Lakeside Equipment Corp. | $140,700.00 |
| Duperon Corp. | $152,000.00 |
| Watertech, INC | $97,111.00 |
| Precision Pump System | $81,250.00 |

Staff recommends to reject all bids. There was a brief discussion. Councilman Julian made a motion to reject all bids. Councilman Spraggins seconded and the motion carried.

**The motion carried.**

**<u>DISCUSSION/ACTION FOR BIDS ON CHEMICALS TO BE USED AT THE WATER TREATMENT PLANT, AND WASTEWATER TREATMENT PLANT</u>**

Director of Utilities James Jordan presented the staff report. The City advertised for bids on the following chemicals to be used at the Water Treatment Plant, Wastewater Treatment Plant:

Alum

Alum Copper Sulfate Blend

Chlorine / Sulfur Dioxide

Liquid Ammonium Sulfate

Ortho/Poly Phosphate Blend

Chlorine Dioxide

The bids received on August 9, 2022 are as follows:

<u>Alum</u>

| | | |
|---|---|---|
| Univar USA INC | $ | 418.48 per dry ton |
| Chameleon Industries | $ | 375.00 per dry ton |
| Chemtrade | $ | 445.00 per dry ton |

| | | |
|---|---|---|
| | Brenntag Southwest | $ 634.35 per dry ton |
| | Afinity Chemical | $ 385.40 per dry ton |
| | G20 Technologies | $ 585.06 per dry ton |
| Alum Copper Sulfate Blend 2% | | |
| | Chameleon Industries | $ 575.00 per dry ton |
| | Brenntag Southwest | $ 683.64 per dry ton |
| | Chemtrade | $ 1010.15 per dry ton |
| Chlorine / Sulfur Dioxide | | |
| | Brenntag Southwest | $ 1769.00-ton Chlorine |
| | | $ 1430.00-ton Sulfur Dioxide |
| Liquid Ammonium Sulfate | | |
| | Chameleon Industries | $ .2200 wet pound |
| | Brenntag Southwest | $ .2220 wet pound |
| | Univar USA INC | $ .5100 wet pound |
| | Chemtrade | $ .2200 wet pound |

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State of Texas purchasing policy-- in the event of tie bid, award to vendor that is the most local.

| | | |
|---|---|---|
| Ortho/Polyphosphate | | |
| | Shannon Chemical | $ 1.27 per pound |
| | Brenntag Southwest | $ 1.23 per pound |
| | Chemright | $ 1.67 per pound |
| | George S. Coyne Co. | $ 1.71 per pound |
| Chlorine Dioxide | | |
| | Evoqua | $ .99 per dry pound |
| | Erco/International | $ 1.64 per dry pound |
| Caustic Soda 32% | | |
| | FSTI, INC | $ 1375.00 per dry ton |
| | Univar USA, INC | $ 1195.00 per dry ton |
| Caustic Soda 50% | | |
| | Brenntag Southwest | $ 1115.00 per dry ton |
| | Univar USA, INC | $ 1070.00 per dry ton |

Staff recommends accepting the lowest bid. There was a brief discussion. Councilman Spraggins made a motion to award the bid to the lowest bidder. Mayor Pro Tem Sellers seconded and the vote was unanimous.

**The motion carried.**

**<u>DISCUSSION/ACTION ON THE APPROVAL OF AN ENGAGEMENT LETTER WITH VAIL & PARK, P.C. FOR FISCAL YEAR 2022 AUDIT SERVICES, AUTHORIZING THE CITY MANAGER TO SIGN ENGAGEMENT LETTER</u>**

Finance Director/Assistant City Manager Smith presented the staff report. Section 103.001 of the Local Government Code requires that a municipality have its records and accounts audited annually and shall have annual financial statements prepared based on the audit. A municipality shall employ, either as a regular employee or by contract, a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct the audit and to prepare the annual financial statements. The City has engaged K. Evans & Associates for several years to perform the annual financial audit. They are no longer able to provide their services to the City due to staffing changes. Vail & Park, P.C. comes highly recommended by Kirk Evans, and the City has received a proposal and engagement letter from Vail & Park to perform the FY 2022 financial audit. There was a brief discussion. Councilman Spraggins made a motion to approve the engagement letter and authorize the City Manager to sign it. Councilman Harrison seconded and the vote was unanimous.

**The motion carried.**

**<u>DISCUSSION/ACTION ON APPROVAL OF ECONOMIC DEVELOPMENT CORPORATION BUDGET</u>**

Director of EDC Feagley presented the staff report. This budget document for the Sulphur Springs/Hopkins County EDC was produced by the staff and board of directors of the EDC. This budget outlines the spending of the EDC for the next fiscal year. There was a brief discussion. Councilman Julian made a motion to approve the budget as presented. Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**<u>DISCUSSION/ACTION ON APPROVAL OF THE PLAN OF WORK FOR THE SULPHUR SPRINGS/HOPKINS COUNTY ECONOMIC DEVELOPMENT CORPORATION</u>**

Director of EDC Feagley presented the staff report. The Plan of Work document was produced by the staff and board of directors of the EDC. The Plan of Work outlines the activities of the EDC for the next fiscal year. There was a brief discussion and there was no action needed.

**<u>DISCUSSION/ACTION ON MOTION AMENDING LAND SALE AGREEMENT WITH ASHOKA STEEL, INC</u>**

Mayor Pro Tem Sellers made a motion allowing the Mayor and City Manager to continue negotiations with Ashoka Steel, Inc. and come back to the council with further information. Councilman Aguilar seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON CHANGES TO PERSONNEL POLICY REGARDING: LONGEVITY PAY, CERTIFICATION PAY, AND INSURANCE**

HR/Assistant City Manager Frazier presented the staff report. Proposed budget for 2022-23 includes changes to Longevity Pay from $4.00 per month for each full year of service paid each payroll to $10.00 per month for each full year of service paid in a lump sum annually. Certification Pay rates remain the same however an added paragraph to the policy defines employee's responsibility to provide documentation of any new certification pay as well as limit back pay to a maximum of sixty days. In the Insurance section, remove reference to "Gap" insurance, as gap insurance was terminated 12/31/2021. There was a brief discussion. Councilman Julian made a motion to approve the changes to the personnel policy as presented. Councilman Nash seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON APPROVING AN AGREEMENT WITH EMERGIFIRE, LLC, A TEXAS LIMITED LIABILITY, THIRD-PARTY BILLING AND ACCOUNTS RECEIVABLE MANAGEMENT FOR MUNICIPALITIES OR OTHER GOVERNMENTAL ENTITIES**

Fire Chief James presented the staff report. This is an Agreement with EmergiFire, LLC, to charge mitigation rates for the deployment of emergency and non-emergency services by the fire department for services provided/rendered by the City of Sulphur Springs, Texas. There was a brief discussion. Councilman Spraggins moved to approve the agreement as presented. Councilman Julian seconded and the vote was unanimous.

**The motion carried.**

**VISITORS AND PUBLIC FORUM**

Bill Alford, Patsy Crist and Pamela Johnson, citizens of Sulphur Springs, addressed the retirement of Karon Weatherman, as well as concerns with the Senior Citizen's Building construction and continuation of activities for seniors.

**ADJOURN**

With all business completed the meeting was adjourned at 8:10 p.m.