

City Council  
August 1, 2022

A regular meeting of the Mayor and City Council of the City of Waxahachie, Texas was held in the Council Chamber at City Hall, 401 S. Rogers, Waxahachie, Texas, on Monday, August 1, 2022 at 7:00 p.m.

Council Members Present: David Hill, Mayor, Council Member Place 1  
Chris Wright, Mayor Pro Tem, Council Member Place 3  
Patrick Souter, Council Member Place 2  
Billie Wallace, Council Member Place 4  
Travis Smith, Council Member Place 5

Others Present: Michael Scott, City Manager  
Albert Lawrence, Deputy City Manager  
Robert Brown, City Attorney  
Amber Villarreal, City Secretary

**1. Call to Order**

Mayor David Hill called the meeting to order.

**2. Invocation**

**3. Pledge of Allegiance and Texas Pledge of Allegiance**

Pastor Justin Barker, Friendship Baptist Church, gave the invocation. Mayor Pro Tem Chris Wright led the Pledge of Allegiance and the Texas Pledge of Allegiance.

**4. Public Comments**

Tony Clifton, 130 Pecan Valley, Waxahachie, Texas, expressed his concerns with high grass near in his neighborhood and requested action from code enforcement.

Paul Christenson, 110 Williams Street, Waxahachie, Texas, spoke in opposition of the City issuing Certificates of Obligation and requested the City issue General Obligation Bonds that must be voted approved.

Brian Tindle, 204 Charlotte, Waxahachie, Texas, requested citizen input prior to decisions being made by City Council. Mr. Tindle also expressed his concern for lack of notice regarding the Certificates of Obligation process.

**5. Consent Agenda**

- a. Minutes of the City Council meeting of July 18, 2022
- b. Minutes of the City Council briefing of July 18, 2022
- c. Event application for Hispanic Heritage Event to be held October 1, 2022
- d. Event application for Waxahachie High 2012 Reunion to be held October 23, 2022
- e. Agreement with JP Morgan Chase Bank for Procurement Card Services
- f. Proposal from Cigna to provide employee medical, dental, and vision insurance and authorize City Manager to negotiate and execute all necessary documents

- g. One-year contract extension with Brenntag Southwest and Chameleon Industries for various chemicals required for water treatment operations at the Howard Road and Sokoll Water Treatment Plants
- h. Award of bid for a one-year contract with Befour Chemicals for wastewater polymers and Pencco, Inc. for hydrofluorosilicic acid
- i. Professional Engineering Services Agreement with Birkhoff, Hendricks and Carter, L.L.P. associated with Lake Bardwell Raw Water Intake Channel Dredging Project
- j. Professional Services Agreement with Criado & Associates, Inc. for the 2022 Sidewalk Project
- k. Professional Services Agreement with Binkley & Barfield, Inc. for the 2022 Asphalt Pavement Rehabilitation Project
- l. Set City Council meeting for Tuesday, September 6, 2022

**Action:**

*Council Member Billie Wallace moved to approve items a. through l. on the Consent Agenda, excluding item h. Mayor Pro Tem Chris Wright seconded, All Ayes.*

**6. Recognize Melissa Olson for her service as City Council Member**

Council Member Billie Wallace recognized Ms. Melissa Olson for her service as a City Council Member from 2018-2022 noting Ms. Olson earned her Certified Municipal Official designation from Texas Municipal League. She thanked Ms. Olson for her dedication and accepted the recognition plaque in Ms. Olson's absence.

**7. Recognize Doug Barnes for his service as Mayor and City Council Member**

Council Member Wallace recognized Mr. Doug Barnes for his service as Mayor from 2021-2022 and his service as City Council Member from 2020-2022. She thanked Mr. Barnes for his service and commitment to the City of Waxahachie as a Council Member and retired employee.

Mr. Doug Barnes thanked the citizens for allowing him the honor to serve this wonderful community.

**8. Public Hearing on a request by Tim Jackson, for a Replat of Lots 8, Block 3, University Annex Addition, to create Lots 8A & 8B, Block 3, University Annex Addition, 2 Residential Lots, being 0.350 acres, located at 800 Sycamore Street, (Property ID 176411) – Owner: A GARRETT REAL ESTATE VENTURES LLC (SUB-73-2022)**

Mayor Hill opened the Public Hearing and announced the applicant requested to continue the Public Hearing to the September 6, 2022 City Council meeting.

**9. Consider recommendation of SUB-73-2022**

**Action:**

*Mayor Pro Tem Chris Wright moved to continue the Public Hearing on a request by Tim Jackson, for a Replat of Lots 8, Block 3, University Annex Addition, to create Lots 8A & 8B, Block 3, University Annex Addition, 2 Residential Lots, being 0.350 acres, located at 800 Sycamore Street, (Property ID 176411) – Owner: A GARRETT REAL ESTATE VENTURES LLC (SUB-73-2022) to the September 6, 2022 City Council meeting. Council Member Billie Wallace seconded, All Ayes.*

**10. Consider a request by Brad Yates, Loren Gray Investments, LLC, for a detailed Site Plan review for a proposed Private Club (Event Center) within a Planned Development zoning district, located at 716 Dunaway Street, (Property ID 193948) – Owner: LOREN GRAY INVESTMENTS LLC (SP-70-2022)**

Jennifer Pruitt, Senior Director of Planning, reviewed SP-70-2022, noting the applicant is requesting approval of a detailed Site Plan review for a proposed Private Club (Event Center). She reviewed the changes from the previously approved concept plan, noting the civil construction plans and renderings show a second story addition to the existing structure, which consists of a storage area and a balcony overlook. She also noted the applicant is requesting not to install a sidewalk along Avenue C, as agreed to by the applicant in the Development Agreement and stated in the Planned Development Ordinance. Ms. Pruitt noted the Planning and Zoning Commission unanimously voted 6-0 to approve with the following staff comments:

1. Installation of sidewalk from corner of Dunaway, along Avenue C, to connect to the private sidewalk to event center entrance, installation of trees and landscaping along the remainder of Avenue C.
2. The second story enclosed addition (1,250 sf) may only be used for indoor storage as indicated by the applicant. To use this area for event center purposes, the Site Plan shall be re-evaluated at P&Z and City Council for the compatibility of the proposed use of the space and mitigation measures if needed.
3. Evergreen shrubbery will be installed to screen the dumpster enclosure wall.

Brad Yates, 626 Kaufman, Waxahachie, Texas, explained the rooftop area will not be useable. He explained the removal of the full sidewalk on Avenue C is to deter off-street parking.

Mayor Pro Tem Wright inquired about the entrances on the property for those who park to the rear and Mr. Yates noted there will be a rear, side, and front entrance.

Council Member Travis Smith noted he would support use of the top floor as event space if Mr. Yates chooses to do so in the future.

Council Member Patrick Souter expressed his concern with the doors on the top floor alluding to more than storage use.

**Action:**

*Council Member Billie Wallace moved to approve a request by Brad Yates, Loren Gray Investments, LLC, for a detailed Site Plan review for a proposed Private Club (Event Center)*

*within a Planned Development zoning district, located at 716 Dunaway Street, (Property ID 193948) – Owner: LOREN GRAY INVESTMENTS LLC (SP-70-2022) subject to staff comments. Council Member Patrick Souter seconded, All Ayes.*

- 11. Consider and take action on an ordinance providing for the issuance of the City of Waxahachie, Texas Combination Tax and Revenue Certificates of Obligation, Series 2022, in an aggregate principal amount not to exceed \$21,250,000; and ordaining other matters relating to the subject**

Chad Tustison, Finance Director, reported the bond process began in January 2022 and projects were presented to City Council at their spring retreat. Since then, staff has worked with the City's financial advisors and bond counsel to prepare for the approval of the Certificates of Obligation in the amount of \$21,250,000. He explained the legal posting notifications were published on the City website on June 10, 2022 and published in the newspaper, the Waxahachie Sun, in compliance with State law. He explained the Attorney General's office will review the City's bond process to ensure compliance. He reported the bonds will provide funds for water and wastewater projects, five major street projects, one park project, and one fire truck. He noted bonds were priced this morning and the City secured a great rate of 3.4% accredited to the City's AA credit rating.

#### **ORDINANCE NO. 3332**

**ORDINANCE PROVIDING FOR THE ISSUANCE OF CITY OF WAXAHACHIE, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2022, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$21,250,000; AND ORDAINING OTHER MATTERS RELATING TO THE SUBJECT**

#### **Action:**

*Council Member Billie Wallace moved to approve Ordinance No. 3332 as presented. Mayor Pro Tem Chris Wright seconded, All Ayes.*

- 12. Consider proposed resolution approving assignment of private activity bond authority to Texas Department of Housing and Community Affairs**

City Manager Michael Scott presented the proposed Resolution noting the State of Texas allocates a limited amount of tax exempt bonds for local housing finance corporations to finance mortgage loans for qualified first-time home buyers in its jurisdiction. Because of scale and market conditions, the Texas Department of Housing and Community Affairs has agreed to accept the assignment of any local Housing Finance Corporation's (HFC) bond allocation and issue bonds to finance mortgage loans in the HFC jurisdiction.

#### **RESOLUTION NO. 1331**

**RESOLUTION APPROVING ASSIGNMENT OF PRIVATE ACTIVITY BOND AUTHORITY TO TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT**

**Action:**

*Council Member Billie Wallace moved to approve Resolution No. 1331 as presented. Council Member Patrick Souter seconded, All Ayes.*

**13. Consider award of bid for Monticello Drive Reconstruction Phase I & II Project**

James Gaertner, Director of Public Works and Engineering, requested approval for bid award to Circle H Contractors, LP in the amount of \$3,973,000. He explained the project includes the reconstruction of Monticello Drive from Cumberland Road to Richmond Lane. Mr. Gaertner explained staff is also requesting to move \$700,000 from the Street Capital Fund to cover the difference and contingency, for a total of \$4,273,516. He noted funding for the additional construction amount is available from previous project savings.

Mr. Gaertner reported the current plan is to construct Monticello this fiscal year, engineer for Wilmington and Chiles, begin work next fiscal year for Wilmington, and then proceed to Pensacola.

**Action:**

*Council Member Billie Wallace moved to approve the award of bid for Monticello Drive Reconstruction Phase I & II project and approve the transfer of \$700,000 from the Street Capital Fund to cover the difference and contingency, for a total of \$4,273,516. Council Member Travis Smith seconded, All Ayes.*

**14. Consider approval of Will Serve Agreement and convenience and necessity boundary adjustment with Sardis-Lone Elm Water Supply Cooperation**

David Bailey, Director of Utilities, requested approval of a Will Serve Retail Water and Certificate of Convenience and Necessity (CCN) boundary modification agreement between the City of Waxahachie and Sardis-Lone Elm Water Supply Corporation. The agreement will transfer approximately 19.9 acres of CCN from the City of Waxahachie to Sardis and Sardis will transfer approximately 18.5 acres to the City of Waxahachie which will better align with the City's service area.

**Action:**

*Council Member Billie Wallace moved to approve the Will Serve Agreement and convenience and necessity boundary adjustment with Sardis-Lone Elm Water Supply Cooperation. Mayor Pro Tem Chris Wright seconded, All Ayes*

**15. Consider approval of an Oversize Participation Agreement with JP Tyler, LCC**

Mr. Bailey requested approval of an Oversize Participation Agreement with JP Tyler, LLC in the amount of \$261,615. The agreement will provide for the oversizing of approximately 2,725 linear-feet of water line and appurtenances from 12" to 16" in size along, and adjacent to, the west side of IH 35E (Sunbelt Rentals) and south of Hwy 287 Bypass. The 16" diameter water line is identified in the current City's Water Distribution System Master Plan along IH 35E.

Mayor Pro Tem Wright clarified that the developer is required to install a 12” water line and the City will pay the cost difference to upgrade to a 16” water line as outlined in our Water Distribution Master Plan.

**Action:**

*Council Member Billie Wallace moved to approve the Oversize Participation Agreement with JP Tyler, LLC for a 16” water line in the amount of \$261,615 funded by Water Impact Fees. Council Member Travis Smith seconded, All Ayes*

**16. Consider supplemental appropriation for reinstatement of project funding**

Mr. Scott requested approval of a supplemental appropriation for reinstatement of project funding in the amount of \$1,237,457 from unallocated General Fund reserves. He explained the City was a victim of a scheme that resulted in the transfer of funds to a fraudulent account. The incident is continuing to be investigated by local and federal law enforcement.

**Action:**

*Council Member Billie Wallace moved to approve the supplemental appropriation for reinstatement of project funding in the amount of \$1,237,457 from unallocated General Fund reserves. Council Member Patrick Souter seconded, All Ayes*

**17. Convene into Executive Session for consultation with attorney as permitted by Texas Government Code, Section 551.071 and for deliberation regarding real property as permitted under Section 551.072 of the Texas Government Code**

Mayor Hill announced at 7:49 p.m. the City Council would convene into Executive Session for consultation with attorney as permitted by Texas Government Code, Section 551.071 and for deliberation regarding real property as permitted under Section 551.072 of the Texas Government Code.

**18. Reconvene and take any necessary action**

The meeting reconvened at 8:02 p.m.

**Action:**

*Council Member Billie Wallace moved to approve the Agreement with ARH, LLC outlining the transfer of ownership, development and operation of the property at 216 North College Street; providing incentives per the agreement; and authorizing the City Manager to amend and execute all documents necessary pending final approval of the City Attorney. Council Member Patrick Souter seconded, All Ayes*

**19. Comments by Mayor, City Council, City Attorney and City Manager**

Deputy City Manager Albert Lawrence thanked the Finance Department for their work and for receiving the Distinguished Budget Presentation award from the Government Finance Officers Association.

Council Member Billie Wallace thanked City staff for all their work and thanked City Manager Michael Scott for his accessibility and response even while on vacation.

City Manager Michael Scott thanked City Council for their support of City projects. Mr. Scott also acknowledged and thanked City field personnel working in the summer heat.

Mayor Pro Tem Chris Wright thanked Doug Barnes and Melissa Olson for their service on City Council and he also thanked the Finance Department for their work. Mr. Wright reviewed the City's bond process and ethics of the City noting State laws have been followed during the process of issuing Certificates of Obligation. He expressed his support for issuing Certificates of Obligation to support necessary City projects while having leisure items, such as park projects, approved by voters. He explained all debt is not paid by ad valorem taxes and identified the various funds that pay debt.

Council Member Patrick Souter thanked Pastor Malcolm Finkley, Pulse Community Church, for inviting him to attend a 3-on-3 basketball tournament noting it was a great event for the community. Mr. Souter supported providing additional information to the citizens for review. He explained Certificates Obligation are legal, ethical, and City Council is expected to spend the money properly.

City Attorney Robert Brown explained there are multiple checks and balances during the process of issuing Certificates of Obligation and the process is overseen by financial advisors and a bond counsel. He noted Certificates of Obligation offers an alternative way to fund necessary City projects and citizens can request an election through a validated petition as outlined by State law.

## **20. Adjourn**

There being no further business, the meeting adjourned at 8:22 p.m.

Respectfully submitted,

Amber Villarreal  
City Secretary