

August 5, 2021

The Graham City Council met in REGULAR SESSION in the Council Chambers at 9:00 a.m. on Thursday, August 5, 2021, with the following members present:

MEMBERS:	Mayor:	Neal Blanton (absent)
	Mayor Pro-Tem:	Shana Weatherbee-Wolfe
	Council Members:	Alex Heartfield
		Jack Little
		Randy Cantin
	City Manager:	Brandon Anderson
	City Secretary:	Sharon McFadden
	City Attorney:	Dan De La Cruz (absent)
	Municipal Judge:	Jim Reeves
	Police Chief:	Brent Bullock
	Fire Chief:	Jim Don Laurent

VISITORS: Carla Ritchie, David Aleshire, Randall Dawson, Kelli Shifflett, Thomas Wallner, Dennis Fellows, Krisa De La Cruz, Sarah Lundgren, Lisa Kinkead, Sonja Ramos, Jimmy McLeroy, John McCord, Terrie Moore, and Tammy Morrison.

ORDER: Mayor Pro-Tem Shana Weatherbee-Wolfe called the meeting to order and requested Pastor John McCord open with prayer. Pastor John McCord provided prayer.

PUBLIC FORUM: Mayor Pro-Tem Shana Weatherbee-Wolfe asked if anyone would like to speak in the public forum. No comments were made.

APPROVAL OF MINUTES:

Special Called Council meeting held on Thursday, July 20, 2021, were considered. Jack Little made the first motion. Alex Heartfield seconded, and the minutes were unanimously approved 3-0.

Regular Session Council meeting held on Thursday, July 22, 2021, were considered. Sharon McFadden requested that on the motion for approval of the minutes for July 22, 2021, be approved with a notation of change. Sharon McFadden was absent from the meeting and Marci Bueno acted as City Secretary for the meeting. Alex Heartfield made the first motion approving the July 22, 2021, minutes with the noted change of Marci Bueno acting as City Secretary since Sharon McFadden was absent from the meeting. Randy Cantin seconded, and the minutes were unanimously approved 3-0.

REVIEW PROPOSED BUDGET ON FILE FOR THE 2021-2022 FISCAL YEAR FOR THE CITY OF GRAHAM (NO ACTION TO BE TAKEN):

Brandon stated the City (of Graham) is required by State (of Texas) statute to have a proposed budget on file for public to access. Brandon said two (2) budget workshops (special called meetings) have taken place and the proposed budget may have some adjustments before a final budget is presented to Council for consideration. Brandon said the proposed budget will be on file at City Hall and said Sharon has a copy of it today. Sharon said the proposed budget copies are available at City Hall, the Library, and posted on the City of Graham website (www.cityofgrahamtexas.com). Sharon said there is a copy of the summaries in the Council packet and if anyone wants specific departmental budget copies, those may be requested. Brandon said the proposed budget is for informational purposes and no action is necessary for this agenda item. Jack Little asked what the date on the final budget was. Brandon said the last Council meeting in September (September 30, 2021) will be the finalized budget. Brandon said the next agenda item will be to determine when the public hearings will take place.

CONSIDER AND ACT ON PROPOSED PUBLIC HEARING DATES OVER THE ADOPTION OF THE 2021-2022 BUDGET AND AD VALOREM TAX RATE:

Brandon said the public hearings will take place and discussion will take place on the tax rate. Brandon said at that time there will be a tax rate to review, and the City (of Graham) is still waiting on it (tax rates from YCAD). Brandon said two (2) public hearings will take place with one (1) on September 2, 2021, at the regular session Council meeting. The other is proposed for after-hours on September 14, 2021, at 6:00 p.m. Brandon said he has a conflict rise and requested consideration for Tuesday, September 7 or Thursday, September 9, would work for everyone to change that date. Brandon said the final adoption (of the budget and tax rate) will take place at the regular scheduled meeting on Thursday, September 30, 2021. All Council Members agreed either date would work for everyone. Brandon said the proposed date will be Thursday, September 9, 2021, and he will check with Mayor Blanton to confirm the date. Brandon said the budget and tax rate meetings will take place on Thursday, September 2, 2021, at the regular session Council meeting (9:00 a.m.) and on Thursday, September 9, 2021, at 6:00 p.m. (special called meeting). Alex Heartfield made the first motion to approve the proposed public hearing dates. Jack Little provided the second motion. The proposed public hearing dates were unanimously accepted by a vote of 3-0.

CONSIDER AND ACT ON A REQUEST BY THE CITY OF NEWCASTLE TO INCREASE DAILY PRODUCTION CAPACITY STATED IN AGREEMENT FOR PURCHASE OF WATER FROM 0.160,704 MGD TO 0.174,182 MGD:

Brandon referred to the letter from the City of Newcastle that was signed by Ronnie Cavitt. The formal request includes an amendment (in the Council packet) from 2015. The amendments were for the contract signed in 2013. Brandon said a copy of the alleged violation from the City of Newcastle was also included with the letter received. Brandon said he has requested but not yet received from the City of Newcastle their bills from Fort Belknap Water Supply for the past two years. Brandon wants to review the previous two (2) years to see what has happened. The same request took place in 2015 and now (6) years later, asking for another increase. Brandon said TCEQ requires them (City of Newcastle) to have access to the required amount of water. It is not necessarily that they will use that amount of water but are required by law. Brandon said at the bottom of the letter (from Randy Cavitt, City of Newcastle), provides the formula TCEQ uses for connection they (City of Newcastle) have got. Brandon said their (City of Newcastle) connections have gone from 336 to 351. They (City of Newcastle) receive water as a wholesale water customer through the system by Fort Belknap Water Supply. Fort Belknap bills the City of Newcastle. Brandon said better tracking needs to take place with population growth outside City (of Graham) limits. Brandon said that rather than just tracking Fort Belknap, we (City of Graham) need to better track the other cities. Brandon said he understands the situation the City of Newcastle is facing. TCEQ is requiring an approval in the

contract (between the City of Graham and the City of Newcastle). Brandon said (The City of) Newcastle may not necessarily use more water, there are just more connections. The formula TCEQ is using requires access to that much more water. Brandon said he does not see an issue with the City (of Graham) providing the water to the City of Newcastle. The water will go through the Fort Belknap (Water Supply) system. Brandon said this item could be tabled until the next agenda until he (Brandon) can get the information (water billing from Fort Belknap Water Supply) from the City of Newcastle. Brandon said Council could approve the request to work up the amendment and bring the amendment forward with the documentation at the next Council meeting (August 19, 2021). Alex Heartfield said the agenda item states the increase of 0.174,182 MGD but the letter request (from the City of Newcastle) shows 0.181,958 MGD. Brandon stated we (Council) needs to consider what the letter (from the City of Newcastle) states. Jack Little asked for clarification of the City of Newcastle going through Fort Belknap Water Supply. Brandon said Graham East Water Supply is a wholesale customer that the City (of Graham) bills directly. Fort Belknap Water Supply provides Fort Belknap rural water, supply water to the City of Throckmorton, City of Bryson (if needed), and supplies water to the City of Newcastle. Brandon said that is all metered on their (referring to Fort Belknap Water Supply) end of the system. Brandon said there are five (5) wholesale customers. Jack Little asked who pays the City (of Graham) for the water. Brandon responded that Fort Belknap Water Supply pays the City of Graham for water. Jack Little asked why Fort Belknap Water Supply is not requesting the information. Brandon explained each city has its own system that is maintained. For example, we (City of Graham) produce our own water and then the water goes to our customers within the City (of Graham). The provider buys the water from Fort Belknap Water Supply but are still responsible for their own system within their own city limits. Jack Little asked if they (referring to the City of Newcastle) also had to reach out to Fort Belknap Water Supply. Brandon said he wants to see exactly what we (City of Graham) are dealing with whether it be increased water use along with the increase from TCEQ. Brandon said from his understanding back in 2015 and 2021, the number of connections is increasing, and the formula (by TCEQ) requires them to have a larger portion (of water). Jack Little said Fort Belknap (water) runs through the lines and if we (City of Graham) increase this (water supplied), can Fort Belknap (Water Supply) use the water in other areas. Jack Little asked if the City (of Graham) monitors what goes through to them (City of Newcastle). Brandon said that is why he is wanting to obtain City of Newcastle water bills to determine the water usage to make sure it is an allotment issue with TCEQ and requirement per the contract. Brandon said we (City of Graham) do need to monitor and make sure there is no other issues we (City of Graham) need to monitor. Jack Little asked if Fort Belknap or the City of Newcastle do not use the water, will they be able to ship the water to Throckmorton. Brandon said if they (referring to the wholesale customers) are willing to purchase the water, then we (City of Graham) are willing to sell it (water) to them (wholesale customers). Jack Little asked if later we (City of Graham) would run into a problem if the lake level decreases. Brandon said we (City of Graham) will monitor. Jack Little asked if there was a problem with them (wholesale customers) during the previous draught. Brandon said all entities would be contingent with the conservation plans, if necessary. Alex Heartfield asked about the second option of approving the amendment. Brandon said approve staff to work up the amendment and present at the next Council meeting (August 19, 2021) along with the documentation. Alex Heartfield made the first motion and Randy Cantin seconded. Alex Heartfield stated the letter should include the correct figure (0.181,958 MGD) in the letter (from the City of Newcastle). Brandon confirmed that 0.11,958 MGD was the correct figure and will be corrected in the amendment. The request was unanimously approved 3-0.

ENTERED INTO AN EXECUTIVE SESSION AT 9:14 A.M.

Mayor Pro-Tem Shana Weatherbee-Wolfe announced the entrance into an Executive Session.

551.072 (Consultation with Attorney)

- Discuss Commercial Lake Lot lease with RKJ Adventures
- Update Council on Current Legal Opinion on Selling Private Lake Leases to Lease Holders before discussing with Lake Lot Lease Committee

EXIT FROM THE EXECUTIVE SESSION AT 10:26 A.M.

CONSIDER AND ACT ON COMMERCIAL LAKE LOT LEASE AGREEMENT BETWEEN THE CITY OF GRAHAM AND RKJ ADVENTURES, LLC:

Brandon said they (the Committee) met yesterday and is still waiting for the red-line version of the contract from their (RJK Adventures, LLC) attorney. Brandon said today they (Council and City Manager) discussed the items that came out of the negotiation. Brandon said until the red-line version is received, the final item cannot be presented to Council, so he recommended tabling the item today (August 5, 2021). Alex Heartfield made the first motion. Jack Little provided the second motion and the item was tabled. By a unanimous vote of 3-0, the commercial lake lot lease was tabled.

CONSIDER AND ACT ON YOUNG CENTRAL APPRAISAL DISTRICT (YCAD) BUDGET FOR 2021-2022:

Brandon said Luke Robbins from YCAD attended a previous Council meeting (July 8, 2021) to discuss his proposed budget. As a taxing entity (referring to the City of Graham), the City of Graham pays a portion of the bills at YCAD and have the right to consider the budget. Brandon said Council can either take no action, accept the budget, or deny the budget. Brandon said the denial process is something we (City of Graham) have never done but he recommended considering denial. Brandon said number one (1), he (Brandon) has also provided additional information. The City (of Graham) paid for a portion of new software (in the YCAD budget) that was supposed to make things more efficient in Young County. Brandon said Luke (Robbins) was calling for ten (10) percent increase with most of the costs being in YCAD payroll. Brandon said part of it (ten percent increase) was a 3.5 percent raise and the other portion was to add an additional full-time position. Brandon said he had his staff compile the report (within the Council packet) that included the counties around us (Young County), number of parcels (residential and mineral) for each County, and the number of full-time employees in each County. Brandon said Young County (referring to YCAD) has seven (7) employees with 28,344 parcels. Jack County has four (4) full-time employees with 33,567 parcels. Baylor County has two (2) full-time employees with 25,500 parcels. Stephens County has three (3) full-time employees plus one (1) contracted appraiser with 67,500 parcels. Clay County has five (5) full-time employees with 23,154 parcels. Archer County information is incomplete, but they have two (2) full-time employees. Throckmorton County has two (2) full-time employees with 12,544 parcels. Knox County has two (2) full-time employees with 9,064 parcels. Haskell County has five (5) full-time employees with 12,521 parcels. Brandon said the information provided is minimal, but he would like to offer the information to the appraisal district (YCAD) so they may have the opportunity to justify the additional position or at least dispute the information he (Brandon) has gathered. Brandon said if he were in their position of wanting to include a 3.5 percent

raise or add an additional position. Brandon said he would ask for one (1) of the options rather than both and he considers that excessive for one (1) year. Brandon said that his opinion is that we (taxing entities) paid for the software for more efficiency. Brandon said without the questions answered, he would recommend the City Council deny the request and give him permission to send an email to Luke (Robbins) and his (YCAD) Board, the information that he (Brandon) has included in the Council packet (appraisal comparison by counties), a written statement from him (Brandon) and transferring the information to them (YCAD Board and Luke Robbins). Alex Heartfield asked if any of the other taxing entities have an opinion. Brandon said he was not aware of the intentions (of the other taxing entities) but it would be a good idea to forward our (City of Graham) answer to the other entities for transparency. Alex Heartfield stated that the City Council denying the YCAD budget would need additional entities denying the request. Brandon said hopefully the five (5) member (YCAD) Board will approve or deny the YCAD proposed budget. Jack Little said he was not aware of the residential and mineral parcels but reviewing what Brandon presented, YCAD appears to have adequate staff with full-time employees. Jack Little said Stephens County has 56,000 in mineral parcels and 11,500 in residential parcels with only three (3) full-time employees and one (1) contractor. Jack Little said YCAD has seven (7) full-time employees with 16,964 residential parcels and 11,370 mineral parcels. Jack Little said the numbers do not add-up to him and he does not know any other details other than the information provided. Jack Little said he cannot approve YCAD taking a 3.5 percent raise when we (City of Graham) cannot provide the same for our own staff. Jack Little said YCAD wants to add an employee and we (the City of Graham) are needing employees, our people (City of Graham staff) need raises, and we (City Council) cannot do that (City of Graham staff raises), and we cannot do that here (YCAD budget requesting employee raises). Brandon said to clarify from the City (of Graham) perspective, employees received a two (2) percent raise but also did a reduction in force. Five (5) positions were absorbed in the general fund department. Brandon said there were disputes that the City (of Graham) is hiring people. Brandon said there are three (3) full-time positions being added into the proposed 2021-2022 budget in the water department. Brandon said that is where water pays for water (referring to revenue from water billing pays for salaries of staff in the water department). The same for sewer (referring to revenue from sewer billing pays for salaries of staff in the sewer department). Brandon said the general fund does not include water or sewer. The general fund is where the expense of YCAD comes from. Brandon said there have not been any new positions added and there were five (5) lost last year (2020-2021) and only a two (2) percent raise was given (to City of Graham staff). Brandon said the information he has provided is minimal and he would like to give them (YCAD) the opportunity to explain why YCAD needs eight (8) full-time employees while any other county in our area can handle five (5) or less full-time employees. Randy Cantin said it is a good example and leaves it open for discussion. Jack Little said if they (YCAD) is going to enlighten him (referring to Brandon), then they (YCAD) need to enlighten him because he sure does not see it (justification of YCAD requests for salary increases and hiring another appraiser). Randy Cantin made the first motion for Brandon to move forward, and Alex Heartfield provided the second motion. The 2021-2022 YCAD Budget was unanimously denied by a vote of 3-0 and Brandon was given permission to send an email to Luke Robbins and the YCAD Board, the information that he (Brandon) included in the Council packet (appraisal comparison by counties), a written statement from Brandon, and transfer of the information to the YCAD Board and Luke Robbins.

REPORTS:

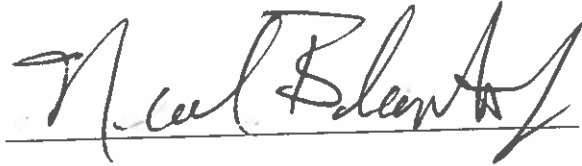
- Brandon asked Fire Chief Jim Don Laurent to explain the cattle round-up yesterday (August 8, 2021). Chief Laurent said it went very well. Brandon said a cattle truck flipped over at Highway 67 and 209 which was interesting. Chief Laurent said that is the second instance in four (4) to five (5) years. Shana Weatherbee-Wolfe asked if there was a dip in the road that causes heavy load to shift. Chief Laurent said he has not spoken to DPS for details of what happened. Chief Laurent said the fire department just helped at the scene. Jack Little asked if they were coming down Highway 67 and turning onto 209. Chief Laurent said he believes the truck was coming off 209 onto Highway 67. Jack Little said that is having a top-heavy load and turning too fast. Chief Laurent said we are blessed to have a community that brought equipment, trailers, and have a place to take the cows. Randy Cantin thanked J & N for doing a good job of assisting.
- Municipal Court Clerk, Carla Ritchie, provided Council with an update on the progress of Court. Brandon referred to the copy within the Council packet. Carla said active cases are down in July from 7,663 to 7,271 of the old cases that they are working with Incode to delete. Cases are showing active that should have been closed out. The total for last month (July 2021) was \$16,178 showing to the City (of Graham) and \$8,000 remitted to the State (of Texas) for a total of \$24,259. More warrants have been issued this past month from low 700's up to 777. Active tickets are down from 134 down to 107.
- Public Works Director, Randall Dawson, stated the water maintenance crews are experiencing an increase in water leaks. He believes the drying-out after intense spring rains is causing line breaks. Next week (August 9 to August 13, 2021) the street crew will be hot mixing the 1300 block of Morado Street. There is a water line burn-out in progress.
- Water Plant Superintendent, Dennis Fellows informed Council on the status of the burn-out. The burn-out is usually more aggressive and is normally done in the wintertime. The water is leaving the plant at about 85 degrees and the ground shifting is likely what is causing Randall's (Public Works) water leaks. This type of burn-out usually results in complaints about rust coming through the lines. The rust in the lines is not currently happening. There are fewer dirty water calls, and all the flushing staff were doing previously helped prevent that (rust complaints). Repairs have started on the number three (3) clarifier at the water plant. The worm gear is needing replaced and staff are waiting on the parts to arrive.
- City Manager, Brandon Anderson, said City (of Graham) staff are flushing (water lines) as needed. If anyone experiences any discoloration, contact City Hall and the area will be flushed. The lake level is at 97.7 percent full. There has been an increase in COVID cases primarily centered around the Delta variant. Everyone is tired of hearing about COVID, but the best information gathered is from the local physicians. He appreciates Shane Kernell (CEO of Graham Regional Medical Center) getting medical professionals together. They met last week, and they (medical professionals) recommend getting vaccinated. The reason for pushing to vaccinate is because if you are vaccinated, you would experience less symptoms. The Delta variant is very aggressive and there is a spike in cases. They hope to see the cases level off and there are two (2) in the hospital. The one (1) message he left with to tell the public if asked was if you do not feel well, stay home. Get the vaccine so if you contract COVID, you will have less symptoms. Everyone has an opinion, but he is just passing on the information provided from health professionals. We appreciate what they do (health professionals) daily. As noted on the agenda, the Municipal Court Report, Code Enforcement Report, and at the next Council meeting the City (of Graham) will have received bids on land Parcel 1 and Parcel 2 tax properties Council decided to put up for public auction. One (1) parcel is at 417 Pecan Street and is a vacant lot but previously had a structure that was torn down by the City (of Graham). The second is also a vacant

lot at 1001 Fourth Street. The publication is in the newspaper (Graham Leader) and if anyone would like more information, contact City Hall.

- Mayor Pro-Tem/Council Member, Shana Weatherbee-Wolfe, mentioned she received a text this morning (August 5, 2021) from someone that resides near Graham Medical Associates. The person stated, "I just wanted to express my appreciation for the City (of Graham) water maintenance crews. I was up at 5:50 a.m. this morning and did not have water. I was happy and thankful that when I walked outside, I saw them working in the dark. Their dedication makes me happy and thankful to live in Graham." Randy Cantin told Randall Dawson to make sure he passes that comment to the guys (water maintenance workers).


ADJOURNMENT:

Randy Cantin made the motion to adjourn the meeting and Alex Heartfield seconded.



Neal Blanton, Mayor

ATTEST:


Sharon McFadden, City Secretary