

July 22, 2021

The Graham City Council met in REGULAR SESSION in the Council Chambers at 9:00 a.m. on Thursday, July 22, 2021, with the following members present:

MEMBERS:	Mayor:	Neal Blanton
	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, David Miller, Thomas Wallner, Dennis Fellows, Erin Gatton, Kelli Mellema, Grant Ingram, Tony Ramirez, Krisa De La Cruz, Sarah Lundgren, Tony Lipscomb, Ramsey Jackson, Kirk Gatton, and Brenda Gatton.

ORDER: Mayor Neal Blanton called the meeting to order and opened with prayer.

PUBLIC FORUM: Mayor Blanton asked if anyone would like to speak in the public forum. Kirk Gatton requested an item be added to the agenda for the next Council meeting (August 12, 2021). Mayor Blanton stated he did not know what he (referring to Mr. Gatton) wanted to talk about. Brandon Anderson offered to explain how agenda items are added. The public has the right to make any comment during the public forum part of the meeting. Council Members cannot interact in a discussion over a particular item. Brandon said if the item merits being added to a future agenda, then Mayor Blanton makes the decision whether to add the item to the next agenda. If the Mayor chooses not to add the item, and three (3) Council Members agree they want the item on the agenda, then the item is added to the next agenda. Brandon said showing up at one meeting, not to necessarily expect the item to be on the next agenda. Brandon said they (referring to Council, Mayor, and City Manager) are open for conversation after that and not during the public forum. Brandon said Council is not allowed to interact by State (of Texas) statute. Mr. Gatton said he is concerned with the alleyway at the 900 block of Kentucky between addresses of 915 and 917. The alleyway continues to get washed out onto the street and appears the area is not mowed very much. Mr. Gatton said gravel is put in the ruts and keeps getting washed out onto the street and appears the area is not mowed very much. Mr. Gatton wants to know if something can be done about it washing across the road. Mr. Gatton said it (rainwater) floods houses on the other side of the road. He recommended oversized gravel be placed and spread out. Mr. Gatton said the alleyway of 900 Kentucky and 900 of Tennessee (Virginia and not Tennessee as stated) has the trash trucks coming down the alleyway and making huge ruts. The huge ruts are pushing against the fence line up and down the alleyway. Mr. Gatton said the trucks are getting over because the trees are so grown up on each side of the alley. Mayor Blanton thanked Mr. Gatton for his comments and asked if anyone else would like to speak in the public forum. There were no other comments made.

APPROVAL OF MINUTES:

Special Called Council meeting held on Thursday, July 8, 2021, were considered. Shana Weatherbee-Wolfe made the first motion. Randy Cantin seconded, and the minutes were unanimously approved 4-0.

Regular Session Council meeting held on Thursday, July 8, 2021, were considered. Alex Heartfield made the first motion. Jack Little seconded, and the minutes were unanimously approved 4-0.

DISCUSS SALES TAX REPORT FOR MAY 2021 RECEIVED IN JULY 2021:

Brandon referred to the report in the Council packet. The City (of Graham) is ten (10) months into the year in receiving payments. This month is at 9.57 percent higher than the same month (May 2020) last year. Brandon said the overall budgeted amount was \$2,100,000 in sales tax and to date, we (referring to the City of Graham) have taken in \$2,073,000. The City (of Graham) is currently \$26,000 short of budgeted goal with two (2) months remaining. Mayor Blanton stated that the figures still look good and that as a point of interest, the sales tax (collected) has increased steadily over the past two (2) years. Mayor Blanton said this is a positive reflection of what is going on in the City (of Graham) and those who collect sales tax can see how their businesses are doing. Mayor Blanton said he hopes it (referring to increased sales tax collections) continues to increase and with two (2) months left to go, the City (of Graham) is in good shape.

CONSIDER AND ACT ON THE JUNE 2021 FINANCIAL REPORTS AND QUARTERLY INVESTMENT REPORT AS PRESENTED BY THE CHIEF FINANCIAL OFFICER OR HER DESIGNEE:

Brandon said Sharon McFadden is out of the office so he will be presenting the reports. Brandon said in the general fund that revenues over expenses appear to be finishing the year strong. Brandon said the positive sales tax revenue and emergency management funds (related to COVID-19) which was approximately \$495,000 have had positive impact on the general fund. Jack Little asked if that was reflected in the report and Brandon confirmed. Brandon said general fund looks good with two (2) months remaining. The garbage fund is strong and is a pass-through account for garbage bills and sales tax on the garbage service. Brandon mentioned the Waste Connection rate increase and said it will be mentioned as the last item on the agenda. Brandon said the water fund revenues have been less due to all the rain and less usage than what is typical for the months of May and June. Brandon mentioned the lake is currently 99.7 percent full and there has not been a need for watering. Brandon said sewer fund revenues are a little less than anticipated. Brandon referred to the quarterly investment report in the Council packet and mentioned the funds that are invested and designated. The funds are listed on the first page with the breakdown. Brandon said how the funds are performing is on the second page. Mayor Blanton asked if the Brazos River Authority (BRA) funds are with the rest of the investments. Brandon said when he refers to "ear-marked" (special designated) funds, he is referring to the \$1.3 million from the BRA. Those type of funds are designated for specific purposes. Mayor Blanton asked if Council has any questions on the reports. Jack Little asked for clarification on the dates of the report. Brandon explained the quarterly investment report in the Council packet is for the dates from April 1, 2021, to June 30, 2021. Jack Little asked if all the investments were CD's. Brandon explained that LOGIC and TexStar are investment pools for governmental entities. Brandon said CDARS is CDs. Brandon said there is an investment policy required that must be followed. Jack Little asked if there had to be an election to withdraw funds. Brandon

explained that the BRA funds must be used on parks. Jack Little asked if the general fund money was in the investments. Brandon said the general fund money is shown in the cash accounts listed at the top of the report. Randy Cantin asked if the CDs were local. Brandon answered, "No." Randy Cantin asked Brandon if there are penalties for early withdrawal on those (referring to the CDs). Brandon stated he would check. Jack asked if the City (of Graham) is required to have those (referring to investments). Brandon told Jack he would provide a better answer. Brandon said most funds are in an "ear-marked" account. For example, Graham Water Supply District (GWSD), the City (of Graham) is required to maintain a reserve to cover if the need arises for use that the account was established for. Jack asked Brandon about the Wal-Mart Street fund (in the investment report). Brandon said when the Wal-Mart project was done, the funds were set aside. Wal-Mart built the streets and deeded the streets to the City (of Graham). Brandon said the funds are for repairs of the streets surrounding Wal-Mart. Randy Cantin made a motion to approve the reports. Alex Heartfield seconded, and the reports were unanimously accepted by a vote of 4-0.

CONSIDER AND ACT ON APPOINTING BANKING SERVICES FROM RECEIVED (REQUEST FOR PROPOSAL (RFP) BIDS:

Brandon said Council approved in a previous Council meeting (June 10, 2021) to issue an RFP for banking services for a contract from 2021 to 2026. Brandon said there was only one (1) bid returned and it was from our current bank, Interbank. Brandon stated he appreciated Interbank providing the bid and stated the City of Graham has a good working relationship with Interbank. Brandon recommended the bid be accepted. Jack asked if a five (5) year contract was standard. Brandon replied, "Yes." Alex Heartfield made the first motion and Shana Weatherbee-Wolfe seconded. The Interbank bid was unanimously approved 4-0.

ENTERED INTO A PUBLIC HEARING AT 9:19 A.M.

Mayor Blanton announced the entrance into the Public Hearing on a request for the proposed Special Use Permit request for 607-609 Elm Street (Original/Graham Edition, Block 5, North 6.66 Ft. of Lot 7, & all of Lots 8-9) to convert the current vacant commercial use of the area to proposed Lease Apartments, Retail Space, Hotel (Air BNB) and a Parking Garage. Brandon said he would provide what is being addressed, then he will allow the individual making the request to comment, followed by Randall Dawson, Public Works Director, and then open the floor for public comment. Brandon said there are two (2) public hearings held. One (1) was on July 20, 2021, and the other today (July 22, 2021). The request was submitted for a special use permit (not a zoning change) is required from the City (of Graham) before the requestor can move forward with the project. Brandon said the special use permit request is for 607 and 609 Elm Street (directly across from City Hall, 612 Elm Street). The proposed special use permit request is for converting a vacant commercial use property to proposed leased apartments, retail space, hotel (Air BNB), and a parking garage. Brandon referred to the plans in the Council packet. Brandon introduced David Miller representing the requestor. Mr. Miller stated the former Roselyn Hotel has been vacant for decades. He said some walls will be removed and be converted to twelve (12) apartments. Mr. Miller said the downstairs was formerly a car dealership and would like to have the rear area become a parking garage for the apartment tenants and the front area house retail. David Miller said Casey's Appliance is currently occupying the ground floor and will be relocating toward the end of 2021. Randy Cantin asked if the front ground floor would remain as retail. Mr. Miller stated, "Yes." Brandon said all the traffic would come from the back of the property. Brandon said the first page in the packet is the proposed half of the parking spots. The current building ordinances require 23 or 24 parking spots. Brandon said the offices on the right side of the page will be removed. David Miller said the first page is an original drawing that had twelve (12) parking spots, but the intention is to have 24 parking places. Brandon said the fourth page is the existing layout as it is, and the third page is the proposed layout of the proposed twelve (12) apartments. Mr. Miller said the apartments will not be luxury but focused on visitors such as AirBNB guests. The goal is to get more walking traffic and more permanent businesses on the square. David Miller said a similar project was recently completed in Olney. Jack Little asked if the property will be under the hotel and motel tax. Mr. Miller said any type of AirBNB would fall under hotel occupancy tax. Mayor Blanton said that these will not be condo's but going to be strictly an AirBNB rent type of facility. Brandon said the request is not to be strictly AirBNB and that is why the request is for several different uses. Randy Cantin said there will be contracts. Brandon said the options would be short-term leasing, long-term leasing, or the AirBNB provides the option to keep the properties occupied. Mayor Blanton stated that only the AirBNB would fall under the CVB requirement (hotel occupancy tax). Jack Little asked what the long-term contracts include. Brandon said the City (of Graham) does not govern long or short-term leasing. Mr. Miller stated even if it is a hotel, after 30 days of occupancy, there is no occupancy tax. Mayor Blanton stated that the City (of Graham) will benefit from the Ad Valorem taxes that will be collected. Mayor Blanton asked if the parking requirement is related to State (of Texas) requirements or City (of Graham) related. Randall Dawson said it is by City of Graham ordinance. Randall said the building will have to be brought up to code. Mayor Blanton stated that ADA compliance would be required. Randall said the elevator and fire suppression would have to be added. Mayor Blanton said for the ADA compliance, the doors are of concern. Randall said the plans will be submitted to the TELR for task compliance. TELR will send their own inspector to inspect for ADA compliance. Mayor Blanton asked David Miller if he intends to take the old breezeway and turn it into a corridor. Mr. Miller said that is the best use for that area. Jack Little asked that if it is downtown, then why does a special use must filed. Brandon said the property is zoned as commercial. Mayor Blanton said the zoning is not changed, just issue a special permit. Brandon said it is allowed but requires a special use permit. Mayor Blanton asked if anyone has a comment or would like to speak about this project since this is a public hearing. Carla Ritchie asked David Miller if he has been in the elevator. Mr. Miller said there currently is no elevator in that space. Jack Little said the property currently does not have much going on, there is someone wanting to come in to update, and it is going to help our town by bringing in tax money. Mayor Blanton stated that the Planning and Zoning (P & Z) passed the request Tuesday night (July 20, 2021) at their meeting. Brandon said the request was passed and there was a lot of good feedback during the public hearing. Brandon said it is great to see public investment on the square and is a value to the community. Brandon mentioned the community is struggling with affordable housing, apartment living, and he appreciates what Mr. Miller is offering and there is a good market for it. Brandon asked if anyone attending the public hearing had comments. An attendee asked if the apartments were going to be one (1) bedroom. David Miller stated there will be one (1) and two (2) bedroom apartments. An attendee asked if there was pricing available. Mr. Miller stated at this time there is no pricing and that if the City (of Graham) approves the permit, then he will seek construction bids. The construction bids will drive costs determination. Randy Cantin asked how long it will take to complete project once it is approved. David Miller said he was not sure and would need to refer to a contractor. Mayor Blanton said the units are small with a range of 417 up to 926 square feet and more unique due to the location. An attendee said she likes the exterior of the building, and it is exciting to see it could be put to a good use. Brandon said in the last public hearing (July 20, 2021) that they intend to maintain as much history as possible. Mayor Blanton asked if there were any other comments. There was no response so Mayor Blanton announced exit

from the public hearing.

EXIT FROM THE EXECUTIVE SESSION AT 9:33 A.M.

CONSIDER AND ACT ON THE PROPOSED SPECIAL USE PERMIT REQUEST FOR 607-609 ELM STREET (ORIGINAL/GRAHAM ADDITION, BLOCK 5, NORTH 6.66 FT. OF LOT 7, & ALL OF LOTS /8-9) TO CONVERT THE CURRENT VACANT COMMERCIAL USE OF THE AREA TO PROPOSED LEASE APARTMENTS, RETAIL SPACE, HOTEL (AIR BNB) AND A PARKING GARAGE:

Jack Little made the first motion to approve the request. Alex Heartfield provided the second and the special use permit was unanimously approved 4-0.

DISCUSS WATER IMPROVEMENT PLAN HISTORY AND CURRENT STATUS:

Brandon referred to the handout regarding the timeline of water that was requested from citizen, Kelli Mellema. Brandon stated he will address the concerns individuals have but hopes the timeline handout will give insight on why things do not move as quickly as we (citizens) would like. Brandon said he started working for the City of Graham on June 16, 2015. When he moved here, the construction of a new water plant was already being built. Brandon said he inherited a \$14.6 million dollar bond project that was already approved. The investment infrastructure was a new water treatment plant. Brandon said what is not included in the timeline is there has never been a water reserve fund built which resulted in bonds having to be issued. At that time the debt was incurred, and the City (of Graham) was faced with how to repay that bond debt. November 2015, it was realized that (water) meter readings were inaccurate. The water meter inaccuracies directly affected the ability to repay the bond debt. The original (water) rate was set to pay back the bond and maintain services. Brandon said he is now finding out that it was based on about half of the water meters not reading. The responsible thing to do was provide customers with average billing for eight (8) months. During the eight (8) months, Brandon and staff met with every company available with AMR (Automatic Meter Reading) systems. Research was done to determine which system would work best for the needs of the City (of Graham). A cellular-based product was purchased that sends an hourly signal for meter readings. Approximately 4,500 new water meters were installed at a cost of \$1.8 million and was financed through Government Capital. The City (of Graham) has two (2) payments left on the \$1.8 million. July 2016, the new meters were online so then the City (of Graham) needed a full year of accurate data, usage, and billing history to determine rates that would cover the bond. The City Council recommended Brandon establish a reserve fund to take care of water improvement projects a little bit at a time. Brandon said the initial water rate (prior to the average billing for 8 months) was made in April 2017 and the final rate adjustment was made in October 2017. At that point, the City (of Graham) was ready to move forward with water projects in a prioritized order. Brandon said when he started (June 2015) the water improvement plan listed priorities were, the new water plant and rehab of the old water plant. The old water plant fell apart due to being so old. A new clarifier was installed rather than retrofitting any of the old system. Brandon said all that was mentioned so far was done in Phase 1A and Phase 1B. Phase C is the alternate (water) line to town. Brandon said it is a very high priority item and the current 24 inch is the only water line to town which has had many recent repairs. Brandon said in the water improvement plan, the priorities are for the alternate water line, the standpipe on Spivey, and the water line replacement of old water lines in town beginning with the main distribution lines. Brandon said in March 2018 there was a wholesale water dispute filed with the PUC (Public Utility Commission) by the wholesale water customers. Wholesale customers did not like the water rate set by the City of Graham and were asking to be adjusted back to the former water rate. They (wholesale water customers) were asking that over time they were requesting to have the difference returned. Brandon said by the end of the dispute, the costs to the City (of Graham) could have been approximately \$1.5 million. The funds would have had to be taken from the City (of Graham) reserve funds that were set aside. Brandon said with the dispute not being settled, the City (of Graham) the funds were locked down. A water rate study took place to set the rates (water rates disputed by wholesale customers) and a second rate study took place that was agreed upon by the wholesale customers. The second rate study revealed the City of Graham wholesale rate was a little high. Brandon said the rate was adjusted and it was made known all along that the rates would be monitored. March 2018 was the filing and in July 2020, the City of Graham finally received a favorable ruling from the PUC. During this time, the City (of Graham) accumulated reserve funds be restricted from spending the funds due to the pending lawsuit. Brandon said at the time, Halff Engineering gave the City (of Graham) bids on the alternate line and the old distribution lines in the older part of town. The City of Graham already had high debt which affects the credit rating and ability to borrow the funds. Brandon said it was suggested that the City (of Graham) seek assistance from the Texas Water Development Board (TWDB). TWDB requires an engineer record and the services out for RFP (Request for Proposal) and November 2020, the RFP was issued. Three (3) applications were received and Parkhill from McKinney, Texas came in to assist in finalizing the City of Graham projects. Brandon said the City Council has recently approved moving forward with the alternate water line to town project which will cost \$2.7 million. The alternate water line is the highest priority for all City of Graham water customers. Easements are being procured at this time. When final costs are determined, then the City of Graham will determine how the project will be paid for. Part of the cost will come from the reserve funds but not completely deplete the reserve funds. The City (of Graham) will likely have to seek financing, possibly by Government Capital. Brandon said about four (4) years ago the City (of Graham) had a bad time in the spring with a bad rash of dirty water coming into the lake. Brandon said the water plant is in good shape, but the City (of Graham) is working with TCEQ on a possible manganese issue associated with high rainfall. Brandon said four (4) years ago, routinely flushing the lines began (attempt to relieve dirty water). Flushing is not the ideal practice due to discharging the water down the street. Currently, flushing is the only way we (City of Graham) must help maintain a good water supply in the system. Brandon said citizens need to call and report water issues. A work order is created for staff to flush the lines. November 2020, the designated staff member flushing lines, resigned and left the City of Graham. For four (4) months the City of Graham did not adequately flush lines. Brandon said the issue has been rectified and the system has been flushed hard the past month and a half. Brandon complimented the efforts of City staff and the effort taken to get them trained and certified. The City (of Graham) will continue to maintain the health of the water system through the flushing regimen which is the only way to rectify currently. Once the alternate line is in, the City of Graham will continue to work with the TWDB to secure financing for the \$7.5 million water projects already established on the main distribution lines. The main area of concern is from South Street to Fifth Street and East Street to West Street. Brandon said TCEQ is the governing agency and come (to Graham) when complaints are received. TCEQ does their job and at no time does the City of Graham receive advanced notification that TCEQ is coming. The City of Graham does not go flush lines prior to arrival to prepare for TCEQ. TCEQ contacts the City of Graham when they arrive and request to meet at the address of the complaint. The line is flushed for five (5) minutes and then TCEQ takes a water sample and that is it. No call, no collusion, and no cooperation take place between the City of Graham and TCEQ. Brandon said TCEQ is an important asset to the

community to ensure the City of Graham maintains a healthy water supply. Brandon said there have been disagreements with how and where TCEQ samples. TCEQ and the City of Graham have a good working relationship and TCEQ is as concerned as the City of Graham as fixing the problems. TCEQ can assist in emergency funding for mismanagement of funds, but the City of Graham is not at that point. The City of Graham, like other communities, deal with older infrastructure. Brandon said the City of Graham has experienced two (2) occurrences where TCEQ has had to re-sample due to questionable results. There was a false positive test that identified E coli, which was very unusual. A retest was conducted, and the issue was resolved. Brandon said that question regarding E coli was asked of him the other day. He said E coli is very rare and it cannot survive the .5 or higher chlorine level that is required. Brandon said his biggest concern (on Facebook) is the attacks on the integrity of the water supply. If there is not a good water supply, then there is no community. The comments regarding doctors saying the City of Graham water supply causes cancer is not true. Brandon said he would like to visit with any doctor that is making that statement and if there is any truth to it, then he (Brandon) would like to get to the bottom of it. The tests performed by TCEQ have never resulted in the water supply creating cancer. Brandon said not only do the statements undermine the public confidence, it is also close to borderline of being considered a terroristic threat. Comments saying it (cancer causing water) happened five (5) years ago false information does not do our community any good. Our community is in this together and we are all fully vested. City staff sees and is hurt by the negativity. Brandon said City staff are on track to fix the issues and doing the repairs as they can. Brandon said his door is always open and City staff need the interaction with the community. Brandon encouraged citizens to call and report dirty water. City staff will flush to help maintain the system. Citizens will need to flush on their side (of the meter line) too. Brandon said hot water heaters retain water and the water is sitting in the unit all night. The City of Graham is committed to flushing lines until the new lines are installed. Brandon said 750 foot of line (approximately a city block) was replaced last year (2020) and because of phone calls received, the City (of Graham) has identified the problem areas of approximately 6,500 feet (more than a mile) of line. Brandon said three (3) full time positions have been budgeted for replacement of water lines and budgeted for the supplies. There is 122 miles of pipe in the City of Graham water system. Brandon said he wants to be upfront and honest with everyone. If anyone has questions or concerns, they are welcome to visit with him (Brandon). Jack Little said he and Randy Cantin have been to the water plant. Both have checked things because they live in Graham too. Jack Little said the best way to learn is to see things for himself. When the water leaves the water plant, Jack said he has absolutely no worries (about water quality). Jack Little said there are three (3) Class A water operators at our water plant, which is rare even for a large city. The problem is the water lines and Jack called Randall Dawson to ask if water lines were being replaced. Randall confirmed that water lines are being replaced according to the cost the City (of Graham) can handle. Jack said the funds are not available to repair everything all at once. Jack thanked Brandon for being proactive on flushing and then apologized to the citizens. Jack said it will take a while due to lack of funds. Jack said the employees of the City (of Graham) are committed and working but are limited to what they can do. Jack said he dislikes City employees being chastised while working out in the field. Jack said City employees are trying to fix the problems and they live with their families in Graham too. Jack said he understands the frustration and concern for white colored clothes. Jack complimented Brandon on his explanations and providing the timeline. Jack said he sees the City (of Graham) moving forward on the issues and not just sitting on the problems. Jack thanked those attending the meeting for coming and sharing concerns. Randy Cantin said it is important to call and report issues. Randy said the calls are identified by areas to determine where the problems need to be addressed. Randy said he understands people venting on social media but that is not where the problem gets addressed. Jack Little asked Brandon what number citizens need to call. Brandon said citizens need to call City Hall at 549-3322 to report their water issues. Shana Weatherbee-Wolfe said the 6,500 feet is where the most phone calls were received. Randall said the problem areas are from Brazos Street from Cherry Street all the way to Carolina Street and then the 900 blocks of Tennessee Street, Virginia Street, Kentucky Street and the 1100 and 1200 block of Plum Street. An attendee asked Randall if there were any complaints outside of the areas mentioned. Randall said there are other complaints, but the majority and repeat complaints are coming from the areas mentioned. Jack asked Randall if those are the older lines and Randall confirmed it is. Randall and Mayor Blanton both said the area mentioned has old cast iron pipes. Mayor Blanton suggested the City (of Graham) should put on Facebook the areas that are being looked at. An attendee asked Randall what year the old lines were installed. Randall said the old lines in the area mentioned were installed between 1940 and 1960. An attendee asked if water lines were being sleeved or replaced. Mayor Blanton said water lines are being replaced. Brandon said until recently, the only lines that would be sleeved is sewer lines. The technology now is for water lines to be sleeved and that may be considered on the 24 inch water line. Brandon said what you lose when sleeving is the flow ability. An attendee asked what the new lines would be made of. Randall said the new lines would be C900 PVC pipe. Sarah Lundgren said people are providing commentary in the Water of Graham Texas Group (Facebook page). The City of Graham Facebook page is receiving messages on the page. Sarah said it is imperative that those posting understand that a Facebook complaint is not a formal complaint to the City of Graham. Complaints to the Water of Graham Texas Group is also not a formal complaint. Sarah emphasized that citizens need to call the City of Graham for the complaint. Sarah said the primary purpose for the City of Graham Facebook page is to provide information, not file complaints. Brandon said citizens need to call City Hall at 549-3322 and a staff member will enter a work order for the complaint. The work order is forwarded to City staff that will flush the lines. Brandon said the City of Graham Facebook page (Sarah Lundgren) does not have access to enter the work order for filing a complaint. Brandon said City Hall is open to the public and so is his office. If proper channels are not followed, then the issue cannot be addressed, and City staff are available to assist. Mayor Blanton said it is his and City Council Members responsibility to listen and service citizen complaints. Kelli Mellema said she has a stack of photos to share and understands many may have already seen the photos on Facebook. Ms. Mellema said she is not questioning the water coming out of the water plant and has no issues with that. Kelli Mellema said her issue is with the water lines. She would love to flush her water when the City staff come to flush, but she cannot always do that because it costs her money. She said flushing on the customer end is costly. Ms. Mellema said people tend to care more about the roads because those are seen, and that water is seen too. Water (to Ms. Mellema) is more important to her than the roads. She said she is speaking for herself and deals with this daily. Mayor Blanton asked Ms. Mellema if she were to go home right now and fill up her sink, what color would the water be? Ms. Mellema said lately the water has been more of a greenish color and it has not been bad lately. Kelli Mellema said the flushing has helped and while driving around she has seen the flushing taking place. She appreciates the flushing since that is the only temporary fix right now. Ms. Mellema said her water has not been that bad since all the flushing. Mayor Blanton stated, "Or since the rain stopped." Ms. Mellema said that is possible. Mayor Blanton asked Randall if the rain plays a part. Randall said it does adjust the pH of the raw water coming in, so formulas must be adjusted to treat the water coming in to treat the water properly. Erin Gatton asked why the water is dirtier when it reaches the citizens homes since it is clean coming from the water plant. Erin asked if the water is coming through the same pipes, then please identify the difference. Randall said everything at the water plant is new and the pipes are all PVC but when the water gets into town, it goes into the cast iron pipes.

Erin said the rain coming into the lake stirring up the water makes sense but if the plant is doing its job (providing clean water), it should not change. Jack Little said there are 122 miles of line and asked what volume that holds. Jack said it depends on how fast the water is moving and water sitting in the lines causes issues. Erin Gatton stated in the winter when there is no watering, there should be the same problem. Brandon said the warm temperature changes. Randall said the lines in town get warmer in the summertime and that causes changes in pH in the water in town. Jack Little compared it to a swimming pool, it is difficult to maintain a pH level but, in the wintertime, there is no problem. An attendee asked if water coming from the Brazos river has been tested. Kelli Mellema said she has some photos of those. Brandon said he sees pictures but has never received a sample in his office that looked like those photos. Jack Little said if a sample were brought to Brandon's office that it would be tested. Kelli Mellema said she was at the last Council meeting (July 8, 2021) and that flushing has started to happen more and more. Ms. Mellema said a local restaurant told her the water was bad and she told the restaurant owner she would come by in the morning. Ms. Mellema said the line was flushed near the restaurant and then the water became clear. Kelli Mellema said the same thing happened (flushing of lines) before a sample could be taken. Brandon said with all of that going on, he asked Kelli Mellema why the issue was not addressed to the City (of Graham). Brandon told Ms. Mellema that there has never been a dirty water call received from her address. Kelli Mellema confirmed there was not. Brandon said the City of Graham has admitted fault and returned to the routine flushing. Brandon said he "gets it" and asked Ms. Mellema how she prescribes the City (of Graham) fixes the problem without the funds. Ms. Mellema said she started the Water of Graham Texas Facebook page as a place for people to share photos and talk about water issues. Brandon stated the group Facebook group is private and Ms. Mellema agreed it is a private group. Kelli Mellema said she has never disapproved anyone wanting to join the Water of Graham Texas Facebook page. Ms. Mellema said she has encouraged people to call (City Hall) especially after he (referring to Brandon Anderson) met with her. Ms. Mellema thanked Brandon for meeting with her. Ms. Mellema said she encourages people to post their photos, comments, and file a formal complaint with the City (of Graham). Kelli Mellema said that people reporting helps the City (of Graham) locate problematic areas and has continued several times to encourage reporting. Brandon said there are two types of people, one being those who are part of the problem, and people are part of the solution. Brandon said if the phone calls are not made through the proper channel for the City (of Graham) to document, then that person is part of the problem. Brandon said he regrets to state it that way, but the samples not coming in and being handled in the proper manner, and finally coming here (to Council meeting). Brandon said the City of Graham has been very transparent on where we are (referring to water quality complaints), where the community is at, and if anyone has \$25 million available to invest, then the City (of Graham) will lay the water lines needed. Brandon asked Kelli what her plan was in being constructive on a solution. Kelli Mellema said she mentioned to Brandon in the private meeting, she was not aware any of the things that had been done (water line repairs/water timeline). Ms. Mellema said she read through all the meetings (Council minutes) and discovered there are a few things. She mentioned Texas Street project being looked at and a grant that is does not know where it stands. Ms. Mellema said she met with him (Brandon) and received the timeline he provided at the Council meeting today (July 22, 2021). She then realized things (water line repairs) are happening and she shared the timeline with the group (Water of Graham Texas Facebook page). Ms. Mellema said there were not a lot of comments, but she thinks people realized things (water line repairs) are happening. Kelli Mellema said she reviewed hours of (Council) minutes to figure out what is going on and what is happening in the City (of Graham). Brandon told Kelli Mellema after the meeting that she has created a great opportunity to be an advocate to get the information out (to the public). Brandon said this item is an agenda item to get the information out and in the six (6) years he has been with the City of Graham, the information has been available. Brandon said the Council meetings are open to the public and Mayor Blanton added that the Graham Leader has published articles about the City of Graham projects. Mayor Blanton said many people say they do not take the newspaper (Graham Leader) and he suggested people subscribe to read the information. Mayor Blanton said the City (of Graham) does the best possible to put information on the City of Graham website that is reliable and accurate. Mayor Blanton asked Kelli Mellema what more she thinks the City (of Graham) can do. Ms. Mellema said Facebook does have two (2) faces to it and she would not even be here (at Council meeting) today if she had not seen neighbor complaints. Kelli Mellema said there are not just negatives (on Facebook) but there is some positive posted. She said it brought discussion amongst the community and support. Ms. Mellema said she does not have nearly as bad as water as some people but still does not like to bathe her babies in it (referring to water). Kelli Mellema said she wanted to stand up to help her community. Ms. Mellema said she has encouraged people to file complaints with the City (of Graham) and thinks all the information centrally located so people know what is going on. Kelli Mellema suggested a map posted with a plan on what is going to happen and what has happened so far (referring to water line repairs). Ms. Mellema said she feels everyone thinks she is going against, but Kelli said she appreciates what everyone has done. Ms. Mellema said she has not seen negative comments on City employees but has seen lots of compliments on City employees. Brandon said he takes all the comments personal because he knows it is his job. Brandon said just because his name has or has not been stated, he takes it personal and believes he is a pretty good guy who is doing a decent job with the resources available. Brandon said if the public does not want to attend Council meetings and prefers to post on Facebook, he is not going to pander the audience. Brandon said people owe the City (of Graham) more respect than that. Brandon told Kelli Mellema that her doing what she has and asking questions is her job as a citizen and he appreciates her for what she has done. Brandon told Kelli Mellema she can advocate for the City of Graham. The facts are on the table and on the timeline sheet and Brandon said he does not know what more than can be done. Jack Little said he and the City Council understand what she is saying (Kelli Mellema), and Council has been addressing issues. Jack Little said until he became a Council member, he was not aware of facts and figures. Jack Little said City Council will be working on the water concerns. Mayor Blanton said what is most alarming to him about Facebook is the individuals that post something without giving the City (of Graham) the opportunity to correct the problem. Mayor Blanton said some posts are blatantly false and put it back on Brandon or the City (of Graham), that is not fair, and people need to stand up and say the (false posts) comments are not right. Jack Little said he agrees (with Mayor Blanton), and Kelli Mellema told Mayor Blanton, she appreciates him sharing. Jack Little said he hopes there are citizens out there (referring to City of Graham) that will stand up on Facebook. Shana Weatherbee-Wolfe told Kelli Mellema that Council appreciates her coming to talk to Brandon. Shana said she sat in on that meeting (Brandon Anderson and Kelli Mellema) and Shana said she learned new information, too. Shana said as far as she knows, Kelli Mellema is the only one that has asked to meet and obtain information. Shana said she appreciates Kelli Mellema very much for what she is doing. Kirk Gatton stated he did not think he could just take a water sample to Brandon Anderson. Mr. Gatton explained sampling he conducts in his own business. Brandon asked what samples Mr. Gatton is referring to. Mr. Gatton responded with samples of sludge and questioned sludge in lines while City staff are working on the lines. Brandon said when there is sedimentation, Mr. Gatton commented that Brandon is referring to sludge as sediment. Brandon stated he does not know where the photos are or what the addresses are Mr. Gatton is referencing to. Kelli Mellema stated the photos (photos she presented to Council) date back to 2016. Mr. Gatton said citizens just assume the City (of Graham) is going to get out and do

something. Brandon stated the City (of Graham) does exactly what is required by TCEQ. Mr. Gatton said he thinks water is not what most are concerned with, he said the concern is with sludge. Tony Lipscomb said he thinks people are afraid to call the City (of Graham) directly because it puts a target on their back, and they do not understand. Mayor Blanton said that comment is wrong. Mr. Lipscomb said he agrees with Mayor Blanton, but people are throwing stuff (referring to water issue complaints) onto Facebook and he does not understand why calls to the City (of Graham) are not being made. Brandon said he is not informed directly; complaints are taken at the front desk (of City Hall) on the general number. Erin Gatton said she joined the group (referring to the Water of Graham Texas Facebook page) and invited others to join. Ms. Gatton said a while later that day, she saw people bashing the City (of Graham). Erin Gatton said she posted against the negative comments being made against the City (of Graham). Ms. Gatton said people cannot or will not attend Council meetings and she asked if there is a way to get the information to the community because transparency is a huge issue. Ms. Gatton said Brandon has done a great job and when someone makes negative comments about Brandon, they obviously have never talked to Brandon. Ms. Gatton said her experience with Brandon is he is very informative, kind, and willing to talk with others. Erin Gatton said there is a huge disconnect with what is going on in here (Council meeting) and the information people need to understand what is going on. Mayor Blanton asked Tony Ramirez (posting live stream on Facebook). Kelli Mellema said people are working right now so attendance might be low, but people will come back and watch. Brandon said there will be a new mechanism on the Chamber Facebook page. Brandon hopes a lot of the questions are being answered today (at City Council meeting) with candor and as much honesty as we can provide. Brandon said he hopes this (referring to the Council meeting and Facebook live stream) will be informative. Erin Gatton said people have a certain amount of responsibility and should not have any reason to not be able to watch the Council meeting. David Miller said it is not a question of transparency, it is an issue of wanting the information and asking questions. Mr. Miller said it is easy to bash (the City of Graham on Facebook) and not look for the answers. David Miller said people need to call Randall or someone and question what is going on. Tony Ramirez said the City of Graham website has tons of information, and no one wants to take the time to look at the website. Kelli Mellema said there must be a meeting point and that it is 2021 and everyone loves social media. Mayor Blanton said he has sat on Council for nearly four (4) years and from time to time, there will be no one else but staff attending Council meetings. Mayor Blanton said it is so encouraging to see more people coming in and taking an active role in what the community is trying to do and interacting with Council. Mayor Blanton said it is 100 percent better to have this interaction with the community. Kelli Mellema said all this stems from social media. Mayor Blanton stated, "Maybe, it might." Ramsey Jackson said as a potential new member to the community, she gathers from what she has heard that it is going to take a lot of money and time to fix water lines. Ms. Jackson said the City (of Graham) is logging the complaints as they are called in, the complaints must be called in. Kelli Mellema asked how long it takes for a line to be flushed once a complaint is received and logged. Randall Dawson said most flushing occurs within the hour of the complaint unless the crew is working on a problem. Mayor Blanton said the City (of Graham) understands flushing is not a long term fix but intend to reduce flushing to once a month. Randall confirmed lines must be flushed once a month. Mayor Blanton said the City (of Graham) does ask for patience from the community and understand there is a responsibility to the community to get this right. Brenda Gatton said this problem (water quality) has been going on since 2015 at her house. Sarah Lundgren said the Council needed to be aware that all the photos have not been collected just over the past 30 days. Kelli Mellema said the photos were dated on the back side of the photos. Mayor Blanton asked if there were any additional comments. Tony Lipscomb asked if all resources have been exhausted to raise money instead of raising taxes. Brandon said taxes have nothing to do with water because water (water billing) pays for water. Erin Gatton asked if it was possible for the City (of Graham) to hire a grant writer. Brandon said grants are available but there are very few for water. Brandon said unless there is a situation where TCEQ shuts down the system and then there is emergency funds available. Brandon said the Texas Water Development Board (TWDB) is the best source of funds for the City (of Graham) at this time with low to zero (0) interest on 30 year loans. Brandon said his hope is with the City of Graham's credit rating and the situation we are in that we will be able to qualify for those. Kelli Mellema asked what happened with Texas Street grant project. Brandon said that is a totally different project that has been submitted and there have been no results. Mayor Blanton said the government entities do not decide tomorrow and can take up to six (6) months. Mayor Blanton said when he was involved with economic development that it took up to a year and a half before a grant could be considered. Mayor Blanton said that may seem to be an excuse, but the City (of Graham) faces this on an ongoing basis every year with State (of Texas) and the federal government. Jack Little said it appears to him that this issue (water quality) did not just start, it has been accumulating for years. Jack said later when all the current administration is gone, this will continue to be ongoing and continue to be worked. Randy Cantin said the importance is in the reporting of problems, so the City (of Graham) know where the worst areas are located that need to be repaired. Mayor Blanton said as one final thing, the areas where the housing is 40, 50, and 60 years old; those individuals also need to explore and find out about their individual lines. Mayor Blanton stated that he assured everyone that in some of those older houses that cast iron lines from the City main to the home. Mayor Blanton said if a line is replaced and there is still discolored water, then the City will need to identify where that is coming from. Mayor Blanton said he appreciates everyone's comments and appreciates everyone being here (at the Council meeting). Mayor Blanton said he hopes this is constructive for everyone and it is constructive for the Council.

DISCUSS RATE INCREASE FROM WASTE CONNECTIONS AS PER OUR AGREEMENT FROM THE ANNUAL CONSUMER PRICE INDEX (CPI) RATE ADJUSTMENT:

Brandon said Waste Connections is exercising the rate adjustment that is allowed by the contract under Section 10. Every twelve (12) months Waste Connections has the right to review to increase or decrease rates. The CPI rate increase will be 6.1 percent. Brandon said the current garbage rate is \$23.65 with sales tax of \$1.95. The polycart rate cost will become \$25.07. Jack Little asked if there was an option to vote on this increase. Brandon said this item is strictly for discussion to make everyone aware of the increase.

REPORTS:

- Police Chief Brent Bullock referred to the handout regarding Salary and Benefit Comparison for 2021. He mentioned providing the information at the Budget Workshop meeting held on July 8, 2021.
- City Manager, Brandon Anderson, referred to the Library Reports and the Municipal Court Reports in the Council Packet. He stated Ramsey Jackson is attending the meeting today. The item (RV Park at Lake Eddleman) was not put on this agenda. The reason is there was a meeting that resulted in some changes that needed to be presented to Council. Hopefully, the agreement will be finalized and ready to move forward.
- Municipal Court Clerk, Carla Ritchie, said they are still working on getting things lined out. Mayor Blanton thanked Judge Reeves and Carla for attending the Council meeting.

ADJOURNMENT:

Jack Little made the motion to adjourn the meeting and Randy Cantin seconded.



A handwritten signature in black ink, appearing to read "Neal Blanton", is written over a horizontal line.

Neal Blanton, Mayor

ATTEST:



A handwritten signature in blue ink, appearing to read "Sharon McFadden", is written over a horizontal line.

Sharon McFadden, City Secretary