January 20, 2022

The Graham City Council met in REGULAR SESSION in the Council Chambers at 9:00 a.m. on Thursday, January 20, 2022, 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
	Municipal Judge:	Jim Reeves
	Police Chief:	Brent Bullock
	Fire Chief:	Jim Don Laurent

VISITORS: Randall Dawson, Kelli Shifflett, Marci Bueno, Thomas Wallner, Grant Ingram, Carla Ritchie, Julia Cox, Dr. Pete Brown, Rob Jackson, Ramsey Jackson, Jimmy McLeroy, Kyle Ford, Pedro Marrufo, Jennifer Hudson, Valerie Halverson, Lisa Kinkead, and Dan De La Cruz.

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

OATH OF OFFICE: Police Chief Brent Bullock introduced the newest Police Officer, Jennifer Hudson. Municipal Judge Jim Reeves conducted the Oath of Office for Officer Hudson. Officer Hudson introduced her family members present at the meeting. Mayor Blanton welcomed Officer Hudson.

PUBLIC FORUM: Mayor Blanton asked if anyone would like to speak in the public forum. Dr. Pete Brown voiced his opinion on Plug Power. Dr. Brown said he is a property owner on Road 209 and the impact additional traffic from Plug Powers poses for the area. Mayor Blanton asked if anyone else would like to speak in the public forum. No additional comments were made.

REPORTS:

- Public Works Director, Randall Dawson, said a smoke test is currently being done on the sewer system. When finished, approximately 27,000 feet of (sewer) line. The purpose of the smoke test is to identify infiltration issues, primarily rainwater, within the sewer system. Last year's smoke tested area identified sixty-seven (67) system defects that were repaired. The intention is to keep rainwater from entering the sewer plant. There has been a significant increase in water leaks due to ground dryness and drastic temperature changes. Mayor Blanton mentioned the door hangers placed on doors of citizens in the area and asked if there was anything citizens need to do. Randall said citizens need to make sure p-traps in homes should have water in them to prevent the smoke from entering the home. Randall said most citizens have no problems since they use water unless there is a separation in the line on their side. Randall said there have been no calls since the smoke test started on January 19, 2022. Randall said in the area being tested, there will be smoke coming out of the vents on the roof of houses. Alex Heartfield asked what was taking place on Carolina. Randall said there was a sewer line issue had a brick utility access hole at three (3) foot deep that was caving-in. The delay for finishing the job is due to inability to obtain concrete.
- Chamber Manager, Lisa Kinkead, Chamber Banquet will take place on February 8, 2022. Krisa De La Cruz last day is January 21, 2022, and from 3:00 p.m. to 5:00 p.m. there will be a farewell reception. Everyone is invited to stop by. The reception will take place at the Chamber office (608 Elm Street, Graham).

APPROVAL OF MINUTES:

Regular Session Council meeting held on Thursday, January 6, 2022, were considered. Shana Weatherbee-Wolfe made the first motion approving the minutes and Jack Little seconded. The minutes were unanimously approved 4-0.

CONSIDER AND ACT ON THE DECEMBER 2021 FINANCIALS:

Sharon McFadden said the City (of Graham) has collected 47 percent of budgeted property taxes as of December 31, 2021, for this fiscal year. Sharon briefly reviewed the details of the revenues and expenses for the general fund, garbage fund, water fund, and sewer fund. Mayor Blanton asked when the sewer rate increase took place. Brandon stated the sewer rate increase became effective as of October 1, 2021. Alex Heartfield said the Finance Committee met on Tuesday (January 18, 2022) and the items Sharon addressed were the concerns. Alex Heartfield said he was satisfied with the financial report being presented and Jack Little said he agreed. Alex Heartfield made the first motion to accept the December 2021 financial reports. Randy Canton made the second motion, and the financials were accepted by a vote of 4-0.

DISCUSS THE SALES TAX REPORT FOR OCTOBER 2021 RECEIVED IN DECEMBER 2021:

Brandon said this is the strongest month we (City of Graham) have ever had with the economy is strong and growing. Brandon said the cost of goods has increased and that has had an impact on sales tax revenue. Brandon said he presented the sales tax report at the CVB meeting. Brandon said local retailers mentioned having a good Christmas season in sales.

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

Sharon mentioned the Finance Committee reviewed the report in the January 18, 2022, meeting. Sharon reviewed the details of the report. Brandon said one (1) withdrawal was for the security system for municipal court and panic buttons for all City (of Graham) offices (from the Special Fund – Technology). Brandon said the other withdrawal was for the auditorium sound system. Part of the expense was paid by donation and part from City (of Graham) funds. Sharon said interest is minimal since interest rates are down. Alex Heartfield made the first motion to accept the quarterly investment report. Jack Little seconded and the motion passed 4-0.

CONSIDER AND ACT ON ORDINANCE # 1119 ORDERING AN ELECTION TO BE HELD ON SATURDAY, MAY 7, 2022, FOR THE PURPOSE OF ELECTING ONE (1) MAYOR AND TWO (2) COUNCIL MEMBERS (PLACES 1 AND 2), ESTABLISHING THE DATES AND THE PLACE FOR VOTING, ESTABLISHING APPLICATIONS FOR VOTING BY MAIL, ESTABLISHING A DEADLINE FOR RECEIVING BALLOTS BY MAIL AND ESTABLISHING AN EFFECTIVE DATE:

Sharon said the City of Graham Charter requires elections to be ordered through ordinance. The Secretary of State form includes the required Spanish version of the election order. The ordinance and Secretary of State forms, once approved and executed, will be forwarded to the Young County Elections Administrator. Mayor Blanton asked Sharon to identify the new Elections Administrator. Sharon stated Kaitlyn Mosley is the new Young County Elections Administrator. Sharon mentioned meeting with Ms. Mosley on January 19, 2022, to discuss the upcoming election and the local option petition. Jack Little asked for an explanation for the ordinance. Brandon said Council Members serve two (2) year terms and must refile. Mayor Blanton stated that Shana Weatherbee-Wolfe (Council Member Place 1), Alex Heartfield (Council Member Place 2) and Mayor office are all up for reelection. Sharon said the order of election is required and if there are no opposing candidates that file, then the election order will be cancelled. Brandon said that since the May 2020 election was postponed until November 2020, that Shana and Alex were six (6) months behind getting installed as Council Members. Randy Cantin made the first motion and Alex Heartfield seconded. Ordinance # 1119 was unanimously approved by a vote of 4-0.

CONSIDER AND ACT ON RESOLUTION # 130 APPROVING AND AUTHORIZING PUBLICATION AND POSTING OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION FOR WATER AND SEWER SYSTEM IMPROVEMENT PROJECTS:

Brandon said this is the start of the process for the funding mechanism for the alternate (water) line. A smaller water line is being priced from the water plant over to the Fort Belknap station. Brandon said there is a standpipe or a water holding reservoir on top of Spivey in conjunction with Fort Belknap. The intent is to feed Spivey from a different direction and increase water quality and pressure. Brandon said this is the next step in the water improvement plans and even if the bonds are never issued, this process must be started at some point. Brandon said the City (of Graham) is getting close in being able to bid out the project to determine where we (City of Graham) are. Brandon said there have been previous discussion in Council meetings on the ability to use some of the reserve funds, and it is still a possibility. Brandon said the project is estimated to cost $4,500,000. Brandon said the process includes posting in the paper (Graham Leader) and a series of public meetings. Brandon said it may not be necessary to issue $4,500,000 but if the City (of Graham) receives a good rating, it would make sense to finance. Brandon said once the exact cost is determined, then the amount and type of bond issue will be reviewed. Mayor Blanton asked if the bonds would be general obligation. Brandon said, "Yes." Alex Heartfield made the motion to approve Resolution #130. Shana Weatherbee-Wolfe made the second motion and the motion passed 4-0.

CONSIDER AND ACT ON A SPECIAL USE PERMIT FOR TEMPORARY RESIDENCE OFA CAMPER AT 903 TENNESSEE STREET DUE TO FIRE DAMAGE:

Randall Dawson said there was a fire at the residence and the property owner is requesting to reside in the camper while rebuilding their home. Randall said there is previous history of authorization for these types of permits. Mayor Blanton asked if there is time frame for the permit. Randall said there is a 60 day limit and if additional time is needed, another 30 day extension can be considered through City Council. Jack Little made the first motion and Randy Cantin seconded. The special use permit was unanimously approved by a vote of 4-0.

CONSIDER AND ACT ON AUTHORIZING FUTURE BUDGET AMENDMENT TO COVER NEEDED EXPENSE OF THE AIR CONDITIONER AT THE LIBRARY:

Brandon referred to a quote from Air Smart in the Council packet. Brandon said Air Smart has done all the previous air conditioning work at the Library. Brandon said it is the full quote on an air conditioner that is out at the Library. Brandon said this is an expense that has not been budgeted so a budget amendment will be required at a later date. Brandon said Mayor Blanton has input on how the expense will be funded. Brandon said the work needs to be done now. Mayor Blanton said the Community Foundation approved a 50/50 match on the expense. The City (of Graham will pay 50 percent of the cost and the Library Foundation will pay 50 percent of the cost. Mayor Blanton said the Library Foundation has $960,000 balance. Jack Little asked if this (the Air Smart) bid is the only one (1) received. Mayor Blanton stated Air Smart is the only bid received. Mayor Blanton said Air Smart has done all the previous work on the Library and knows the system. Shana Weatherbee-Wolfe asked for confirmation that the project is being funded 50 percent from the Community Fund and 50 percent from the City (of Graham). Brandon said the City (of Graham) portion would come from the general fund by a budget amendment. Jack Little asked for confirmation that there is $950,000 in the library fund. Mayor Blanton stated that is a separate foundation which is not a part of the City (of Graham). Alex Heartfield stated that the Library Foundation is offering to contribute 50 percent of the cost. Alex Heartfield made the motion to authorize the budget amendment. Randy Cantin seconded, and the motion passed 4-0.

GRAHAM ECONOMIC IMPROVEMENT CORPORATION (GEIC) 2021 ANNUAL REPORT PRESENTED BY THE EDC DIRECTOR, GRANT INGRAM:

Mayor Blanton said Council Members requested more information from the GEIC. Mayor Blanton asked Grant Ingram to provide a report of the 2021 activities (for GEIC). Mayor Blanton said that moving forward, GEIC will be providing quarterly reports to Council. Grant Ingram referred to two (2) documents in the Council packet. Money proposal program and a recap of the year 2021. Grant reviewed the current and historical data of sales tax revenue and the portion allotted to GEIC. Grant Ingram discussed the positive trends in revenue for Young County Arena and complimented Toni Elliott (Young County Arena Manager). GEIC was the title sponsor for the Chamber's Holiday Shopping Spree and Grant informed Council of local sales impact. Grant informed Council of his 2022 Strategic Plan and his intentions for GEIC and the GEIC board. Grant informed Council of the relationship with Retail Coach. GEIC is seeking opportunities to address the housing demand the community is facing. Grant mentioned the hotels are at 80 percent capacity and that is limiting the CVB from adding events. Grant is interested in working with NCTC on expanding training programs. Shana Weatherbee-Wolfe asked Grant Ingram about the developer intending to build near Wal Mart. Grant responded with information that the land was purchased and there has been no further communication with the developer. Brandon said there have been three (3) different replats for the property since he has been with the City (of Graham) the past six years. Mayor Blanton mentioned that NCTC is rolling out a new program to (high school) seniors. Those who graduate can attend NCTC at no cost to them. The Red River Promise program includes NCTC and Graham High School students. Mayor Blanton said he attended an event last week and it is going to be a great program for our community. Alex Heartfield said that any scholarships or grants will be applied, and the remaining costs will be picked up by the program. Jack Little asked if GEIC

purchases properties. Brandon said GEIC is funded through sales tax and assists in creating jobs. Mayor Blanton said he has asked Grant Ingram to look into apartment projects since the City (of Graham) has not had a new apartment complex built in more than 40 years. Jack Little asked if housing has always been a problem or if it is something new. Shana Weatherbee-Wolfe said there has always been issues but it has been worse the past few years with a lack of inventory. Randy Cantin asked what is deterring developers from our area (City of Graham). Grant Ingram said the cost of building in square footage is not a good return at this time. Brandon said the housing problem is not unique to Graham. Mayor Blanton said he had a discussion with a builder that said supplies are not near the job site and that makes costs higher. Grant Ingram said he is reaching out to regional developers and builders.

ENTERED INTO EXECUTIVE SESSION:

Mayor Blanton announced the entrance into Executive Session at 9:43 a.m.

551.071 Consultation with Attorney
- Discussion with City Attorney over proposed agreement with Plug Power.

551.072 Deliberations Regarding Real Property
- Discuss Commercial Lake Lot Lease with RKJ Adventures, LLC
- Discuss Bids received for the following Lake Lots, to purchase their lease land from the City of Graham:
  Lot #12, Lot #98, Lot #104, Lot #185 & Lot #186, Lot #513

EXIT FROM EXECUTIVE SESSION

Mayor Blanton announced the exit from Executive Session at 11:10 a.m.

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

Mayor Blanton said this item is being Tabled until the next Council meeting (February 3, 2022).

CONSIDER AND ACT ON THE BIDS RECEIVED FROM LAKE LOTS TO PURCHASE THEIR LEASE FROM THE CITY OF GRAHAM:

Alex Heartfield said all the appraisals that have been submitted are accepted as presented and he made the motion to accept the bids and appraisals for lake properties Lot #12, Lots #98, Lot #104, Lot #185 & Lot #186, Lot #513. Randy Cantin made the second motion, and the bids were accepted with a unanimous vote of 4-0.

CONSIDER AND ACT ON PROJECT DEVELOPMENT AGREEMENT WITH PLUG POWER:

Mayor Blanton said this item is being Tabled until the next Council meeting (February 3, 2022).

Brandon said he wanted to make a comment regarding Plug Power. He said a post on Facebook mentioned the agreement between the City (of Graham) and Plug Power to sell affluent water for a project outside City (of Graham) limits. Brandon said the Graham Leader published a detailed article in the October 30, 2021, and recommended reviewing the article for details. Brandon said the agreement is for the City (of Graham) to provide them (Plug Power) with affluent water for their project. Brandon said he and the Mayor (Blanton) are still working on the agreement and it is being Tabled at this time.

ADJOURNMENT:

Alex Heartfield made the motion to adjourn the meeting.

Neal Blanton, Mayor

ATTEST: Sharon McFadden

Sharon McFadden, City Secretary