

March 17, 2022

The Graham City Council met in REGULAR SESSION in the Council Chambers at 9:00 a.m. on Thursday, March 17, 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 (absent)

VISITORS: Thomas Wallner, Marci Bueno, Cathy Partridge, BJ Cook, Casyn Smith, Steve Perry, SVP of D.A. Davidson & Company, Randall Dawson, Jimmy McLeroy, and Grant Ingram.

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

PUBLIC FORUM: Mayor Blanton asked if anyone would like to speak in the public forum. No comments were made.

REPORTS:

- Police Chief, Brent Bullock, mentioned the Canine Event that was available for the public to view on Monday and Tuesday (March 14 and March 15, 2022). Chief Bullock said the public was incredibly supportive and there was a giant Schnauzer dog that was the highlight of the event. Today and tomorrow (March 17 and March 18, 2022) events are closed to the public due to narcotics involvement and confined space for the judges and dogs. Chief Bullock said he was extremely impressed with the public turn-out of support.
- Municipal Court Judge, Jim Reeves presented the February 2022 Municipal Court Report. Mayor Blanton said at one time there were more than 1,000 active cases. Judge Reeves said the number (in the report) is still not accurate and staff are working with the technology people (Tyler Technologies) to correct the problems.
- Cathy Partridge, CEO of the Chamber and the CVB mentioned the Chamber Golf Tournament taking place on April 25, 2022. The morning golf registration is full but there are a few openings for the afternoon. The Chamber Luncheon will be held on March 22, 2022. There is big news coming at the end of April 2022.
- CVB Manager, Casyn Smith, said tickets to the Wine Festival at Crawfish & Cannons have sold-out. The Crawfish & Cannons Event will take place on April 9, 2022, at Fort Belknap. Preparations for the Food Truck Championship of Texas are going well. The concert announcement was recently made, and the ticket sales are going well for that event.
- Randall Dawson, Public Works Director, informed Council that the Woodland (water) storage tank leak has been repaired and functioning as it should. A repair list for streets was submitted to Council and will progress until funds are exhausted. Jack Little asked if any of the repairs have begun. Randall informed Jack that the repairs have not started. Randy Cantin asked Randall if he has noticed price increases yet. Randall said prices are remaining the same and projects estimates will stay the same. Mayor Blanton said this is aggressive (referring to street repair list) and looks great.
- City Manager, Brandon Anderson, said the lake level is 83.5 percent full. The City Hall Activities Report is in the Council packet. The largest and best revenue generating event (Region 3 Rodeo) took place at the arena (Young County Arena) two (2) weeks ago (February 25 to February 27, 2022). Jeff Gough had his rodeo and provided two (2) tents for additional stalls. The event was full and sold out of everything. The revenue at the arena is doing great.

APPROVAL OF MINUTES:

Minutes for the Regular Council Meeting held on Thursday, March 3, 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 FEBRUARY 2022 FINANCIAL REPORTS PRESENTED BY THE CFO OR HER DESIGNEE:

Sharon McFadden stated all of the property taxes budgeted for the year have been collected. Sharon briefly reviewed the financial statements. Brandon said there will be a budget amendment presented at the next Council meeting for sewer funds. Brandon briefly reviewed the financial reports. Mayor Blanton asked Brandon if the City (of Graham) will be eligible for any of the infrastructure money passed by Congress. Brandon said he has not seen anything yet but said it may trickle down to local economies. Mayor Blanton commented that TML (Texas Municipal League) will keep us (City of Graham) informed on what needs to be done. Jack Little asked Brandon if the water fund revenue is receiving revenue from the water trucks obtaining water from the ballpark (Fireman's Park area). Brandon said revenue is being collected but does not have an amount at this time. Randall Dawson said they (Blattner Energy) are being billed at the bulk water rate for water being hauled. Jack Little asked if that revenue (Blattner Energy water sales) was in the budget. Brandon said neither the revenue nor the expenses were budgeted (for Blattner Energy). Mayor Blanton asked where all the water (Blattner Energy) is being taken to. Jack Little said it is being taken out to the wind farm. Randy Cantin said he noticed fire hydrants being removed on Fourth Street. Randall Dawson said there was an issue with the hydrant at the ballpark and with baseball and softball getting started, Randall wanted to make sure a mess was not created in that area. Randall said the hydrant meter was moved to a different location. Brandon said the financial reports presented to Council each month, but the City (of Graham) is judged by the annual audit. Alex Heartfield made the first motion to approve the reports, and Randy Cantin provided the second motion. The February 2022 financial reports were unanimously accepted 4-0.

DISCUSS THE SALES TAX REPORT FOR JANUARY 2022 RECEIVED IN MARCH 2022:

Brandon said the revenue has increased again as a solid month. Mayor Blanton asked if there are projections on a total increase we (City of Graham) may experience. Sharon McFadden said the numbers are taken directly from the

Texas Comptroller's website and entered into the Sales Tax Report presented to Council each month. Brandon said the bottom of the graph provides the information Mayor Blanton requested.

CONSIDER AND ACT ON ORDINANCE #1122 AMENDING ORDINANCES #1112, #1115, #1118, AND #1120 FOR THE APPROPRIATION OF FUNDS FOR VARIOUS DEPARTMENTS OF THE CITY FOR FISCAL YEAR ENDING SEPTEMBER 30, 2022:

Sharon McFadden explained the adjustment amounts and purposes in Ordinance #1122. Brandon said the helicopter insurance was taken from one line item within water but is now being taken from all the line item listed on the ordinance. Brandon said part of Grant Ingram's GEIC expenses were not being recognized. Alex Heartfield made the first motion. Shana Weatherbee-Wolfe provided the second motion, and Ordinance #1122 was approved 4-0.

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "CITY OF GRAHAM, TEXAS COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION, TAXABLE SERIES 2022", INCLUDING THE ADOPTION OF ORDINANCE #1123 AUTHORIZING THE ISSUANCE OF SUCH CERTIFICATES OF OBLIGATION:

Brandon said he will allow Steve Perry, SVP of D.A. Davidson & Company, to present this to Council. Brandon said things (the financial market) have moved a bit more than we (City of Graham) prefer but this action needs to be taken in order for the alternate (water) line which is a high-priority need. Brandon said this is a necessary step and he asked Mr. Perry to approach Council. Mr. Perry discussed the process for sale of the certificates yesterday (March 16, 2022). Mr. Perry also provided recent history of the financial market and the responses of the Federal Reserve. Mr. Perry stated the true interest cost is below five (5) percent and expected to close on April 7, 2022, which is when the funds will be available. Mr. Perry reviewed the payment schedule with the average payment being \$305,000 to \$310,000 out to the year 2051. There is a standard ten (10) year par call so in the year 2032, the bond can be refinanced. Mr. Perry said the interest rates are fixed and if Council approves today, the closing will take place on April 7, 2022. The first payment will begin next fiscal year (2022-2023). Mr. Perry reviewed BAM (bond insurance), then explained the purpose and the lower interest rate offered for having bond insurance. Mr. Perry said the City of Graham credit rating should start to see a positive credit rating increase in the next eighteen (18) to twenty-four (24) months. Jack Little asked Brandon if the City (of Graham) will be able to handle making the (bond) payments. Brandon said when the water rate was set, it was to cover the current (at that time 5 years ago) and create a water reserve fund. Brandon said the wholesale water dispute that lasted for two and a half years. The dispute could have potentially affected many things if the wholesale water rate would have had to be adjusted. Wholesale water sales account for twenty-five (25) percent of the City (of Graham) water sales. Brandon said the initial cost of the water project was \$4.5 million but since the cost of goods has increased, the project is estimated to cost \$7.1 million. Brandon said water fund reserves will have to be used to help fund the project. Mayor Blanton asked if anything has changed in the wholesale water sales. Brandon said Fort Belknap has submitted a soft request. Newcastle had an issue with TCEQ and needed an adjustment to their contract (with the City of Graham). Brandon said Fort Belknap has requested a change but not because of a TCEQ action. Alex Heartfield made the first motion and Randy Cantin seconded. Approval of the issuance of Certificates of Obligation was unanimous by a vote of 4-0.

ENTERED INTO EXECUTIVE SESSION:

Mayor Blanton announced the entrance into Executive Session at 9:33 a.m.

551.071 Consultation with Attorney

-Discuss looking at an Ordinance to regulate Liquor Sales as we do not have any addressing such in our code, proactive move in accordance with special election option.

551.072 Deliberations Regarding Real Property.

- Discuss Bids received for the following Lake Lots, to purchase their lease from the City of Graham.
Lot #58, Lot #68, Lot #201, Lot #202, Lot #208, and Lot #209

EXIT FROM EXECUTIVE SESSION

Mayor Blanton announced the exit from Executive Session at 10:18 a.m.

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

Alex Heartfield said he would like to make a motion to approve the bids received for lake properties Lot #58, Lot #68, Lot #201, Lot #202, Lot #208, and Lot #209. Jack Little made the second motion, and the bids were accepted with a unanimous vote of 4-0.

ADJOURNMENT:

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


Neal Blanton, Mayor

ATTEST: 
Sharon McFadden, City Secretary