

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 3rd day of September 2019, the Amarillo City Council met at 1:00 p.m. for a regular meeting held in the Council Chamber located on the third floor of City Hall at 601 South Buchanan Street, with the following members present:

GINGER NELSON
ELAINE HAYS
FREDA POWELL
EDDY SAUER
HOWARD SMITH

MAYOR
COUNCILMEMBER NO. 1
MAYOR PRO TEM/COUNCILMEMBER NO. 2
COUNCILMEMBER NO. 3
COUNCILMEMBER NO. 4

Absent were none. Also in attendance were the following administrative officials:

JARED MILLER
MICHELLE BONNER
BRYAN MCWILLIAMS
STEPHANIE COGGINS
FRANCES HIBBS

CITY MANAGER
DEPUTY CITY MANAGER
CITY ATTORNEY
ASSISTANT TO THE CITY MANAGER
CITY SECRETARY

The invocation was given by David Ritchie, Redeemer Christian Church. Mayor Nelson established a quorum, called the meeting to order, welcomed those in attendance and the following items of business were conducted:

ITEM 1: Public Address. Allen Finegold, 2601 North Grand Street, spoke on Item 4E. He inquired if there would be a transfer of title, and what if any conditions the City may have set. There were no further comments.

ITEM 2:

- A. Review agenda times for regular meeting and attachments;
- B. Reports and updates from City Councilmembers serving on outside Boards: Convention & Visitor's Council; and
- C. Request future agenda items and reports from City Manager.

CONSENT ACTION ITEMS:

ITEM 3: Mayor Nelson presented the consent agenda and asked if any item should be removed for discussion or separate consideration. Motion was made by Councilmember Powell to approve the consent agenda as presented, seconded by Councilmember Sauer:

- A. **MINUTES:**
Approval of the City Council minutes for the meeting held on August 27, 2019.
- B. **CONSIDERATION OF ORDINANCE NO. 7805:**
(Contact: Cris Valverde - Assistant Director of Planning and Development Services)
This item is a second and final reading to consider an ordinance vacating a 700 square foot portion of Southeast 17th Avenue right-of-way adjacent to Lot 16, Block 235, L.A. Wells Subdivision of Block 235, Plemons Addition, in Section 170, Block 2, AB&M Survey, Potter County, Texas. (Vicinity: Southeast 17th Avenue and Johnson Street.)
- C. **CONSIDERATION OF ORDINANCE NO. 7806:**
(Contact: Cris Valverde - Assistant Director of Planning and Development Services)
This item is a second and final reading to consider rezoning of a 4.39 acre tract of unplatted land in Section 43, Block 9, BS&F Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways to change from Office District 1 to Planned Development District 392 for office

and retail related land uses. (Vicinity: Research Street and Fleming Avenue.)

D. CONSIDERATION OF ORDINANCE NO. 7807:

(Contact: Cris Valverde - Assistant Director of Planning and Development Services)

This item is a second and final reading to consider rezoning of a 3.39 acre tract of unplatted land in Section 65, Block 9, BS&F Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways to change from Agricultural District to General Retail District. (Vicinity: Heritage Hills Parkway and Soncy Road/Texas Loop 335.)

E. CONSIDER AWARD – LENCO BEARCAT G3 ARMORED RESCUE VEHICLE:

(Contact: Chief Ed Drain, Amarillo Police Department)

Lenco Armored Vehicles – \$173,090.00

This item is a partnership between the City of Amarillo and the 100 Club of the Texas Panhandle to purchase an armored rescue vehicle for the Police Department.

Armored Rescue Vehicle:	\$373,090.00
100 Club of the Texas Panhandle Donation	<u>(200,000.00)</u>
City Participation	\$173,090.00

F. CONSIDER APPROVAL – ANNUAL FIREFIGHTER MEDICAL EVALUATIONS AND OTHER CITY DEPARTMENT RESPIRATORY MEDICAL EVALUATIONS:

(Contact: David Kouba, Fire Department)

FMC Services, LLC d/b/a BSA CareXpress — \$77,400.00

This item is the award of the Firefighter Medical Evaluations and Other City Department Respiratory Medical Evaluations Annual Contract for medical evaluation requirements for various departments.

G. CONSIDER APPROVAL – CHANGE ORDER FOR DRAINAGE IMPROVEMENTS AT CEDAR MEADOW CIRCLE AND PLUM CREEK DRIVE:

(Contact: Kyle Schniederjan, CP&DE Director)

Original Contract	\$ 630,007.00
Previous Change Orders	\$ 651,833.98
Current Change Order	<u>\$30,051.00</u>
Revised Contract	\$1,311,891.98

This change includes an additional 2' of height of fence along the channel, for repairs to the side fences and for staining the fence at 420 and 424 Cedar Meadows Circle. Provisions are also made for replacing some plants that were destroyed during the installation of the retaining wall and Rain Sensors for the irrigation systems.

H. CONSIDER APPROVAL – FAA AIP GRANT:

(Contact: Michael W. Conner - Director of Aviation)

This item approves the FAA AIP grant with the Federal Aviation Administration for 90% funding for the Design to Reconstruct Taxiway Juliet and Taxiway Charlie at the Rick Husband Amarillo International Airport.

FAA Entitlement Funding:	\$271,063.00
Airport (Sponsor) Funding:	<u>\$30,118.00</u>
Total:	\$301,181.00

I. CONSIDER APPROVAL – LEASE/PURCHASE OF LANDFILL COMPACTOR:

(Contact: Jason Jupe, Fleet Services Assistant Superintendent)

Awarded using Buy Board Contract to:

Warren Cat/Caterpillar Financial	\$15,860.96/month
Total Award Based on 60-month lease	\$951,657.60
Total Due at End of Lease	
(If Purchase Option Exercised)	<u>\$193,200.00</u>
Total Capital Outlay Exercising	
(Purchasing Option)	\$1,144,857.60

This item is the scheduled replacement of unit 7509, 2011 Cat Landfill Compactor. New equipment will be leased for a sixty (60) months period with full service factory recommended service and all repairs under normal usage, including full machine 5-year – 10,000 hour warranty. Lease does not include fuel. Equipment will be used at City of Amarillo Landfill for daily operational requirements under TCEQ permits.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

NON-CONSENT ITEMS

ITEM 4A: Mayor Nelson opened a public hearing and stated that the City of Amarillo is considering a tax rate of \$0.38851. This proposed rate will raise more taxes than last year's tax rate. The tax rate will effectively be raised by 7.33 percent. The tax on an average home last year was \$495.33. The tax on an average home would be \$537.04 under the proposed rate. Laura Storrs, Finance Director, stated the City of Amarillo had several budget challenges including reduced revenue services. The revenue from growth in appraised values was up \$1.3 million. She stated the new rate would be \$1.68 per month for a \$100,000 home in Amarillo. This proposed increase would fund 10 new firefighter positions, 3 new AAM&W positions, increased street funding by \$750,000, and Propositions 1 and 2 approved projects that were approved in 2016. The next public hearing on the tax rate would be on September 10 at 1:00 p.m. The tax rate ordinance would be on the September 17 and September 24 agendas. Mayor Nelson opened the public hearing. Noah Dawson, 1133 Sugarloaf Drive, urged Council to reject the proposed tax increase. Randy Stewart, 3320 Edenburg Drive, also disagreed with the proposed tax increase and stated the City needed to learn to live within their means. James Schenck, 6216 Gainsborough Drive, stated he would like to hear some discussion for justifying this rate increase. He questioned the 7.33% rate increase. He also inquired if there was a shortage in the budget. He stated employees were not part of the propositions. He stated property taxes never go away and there has been very little mentioned about the sales tax. He asked Council to vote against the proposed new rate. There were no further comments. Mayor Nelson closed the public hearing. Councilmember Hays clarified that it was \$3.9 million and not a percentage. She also asked when the legislation changes would take effect. Ms. Storrs stated SB 2 applies to the next fiscal year's (2020) tax rate. It is not in place yet, and not effecting the budget. Councilmember Sauer inquired if the franchise fees changed in the legislation would be a permanent change. Ms. Storrs replied it would be permanent change unless there are other changes made in the law. Councilmember Sauer inquired how much was for O&M. Ms. Storrs stated O&M was .34448 and I&S (interest sinking) fund was .04403 which equals the \$.38851 proposed. Ms. Bonner stated the 7.33 percent is required by the state over the effective tax rate which includes an increase in voter approved debt. Mayor Nelson inquired if our revenue projected received a shortfall. Ms. Storrs stated there was a shortfall in what was anticipated. She further stated in building next year's budget they were mindful of the expenses and what the revenue might be. Ms. Storrs stated the increase was for employees at the new fire station and the vet clinic at AM&W. The voter approved Propositions only covered infrastructure. Mr. Miller stated the new fire houses and AM&W facilities were accelerated due to the foreseen construction costs increases. Mayor Nelson inquired about sales tax. Ms. Storrs stated that sales tax did increase 2% over the prior years, and they continue to see increases. Sales tax is trending well but slightly over the revenue target. Mayor Nelson also stated the increased costs included health insurance that goes up every year. She further stated this was a brief summary without cutting services. Councilmember Hays stated she was not opposed to staffing the fire stations, but they haven't broken ground yet, and they are able to bring them on during a much shorter period than police officers. She further stated she preferred to stick to the strategy and not increase expenses while dealing with shortfalls. The voter approved street proposition was approved for \$89 million, and they have only spent over \$10 million. She preferred not to be restricted in doing just residential streets, and not doing some of the arterial streets being addressed sooner than later. She suggested applying the \$79 million, even though it would not be enough because of the tremendous needs in street repair. She suggested finding it in the budgets or going back to the voters again for the amount of mileage in the streets we have to maintain. She further stated the primary areas of revenues for the City are all up, and the need to live within those means, she is willing to make some of those difficult decisions, including hiring freezes in times of budget shortfalls.

ITEM 4B: Mayor Nelson presented the first reading of an ordinance authorizing an addition to the municipal code to formalize the governance of the transit system by adopting a new chapter in the code of ordinances. The addition will address management of the transit operation; define authorized service areas; and adopt bus fares and related provisions. This item was presented by Marita Wellage-Reiley, Transit Director. Motion was made that the following captioned ordinance be passed on first reading by Councilmember Powell, seconded by Councilmember Smith.

ORDINANCE NO. 7808

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AMENDING THE AMARILLO MUNICIPAL CODE, TITLE XVI TO ADD NEW CHAPTER 16-1 AUTHORIZING TRANSIT DEPARTMENT, PROVIDING FOR MANAGEMENT AND SERVICE AREAS; ADOPTING REVISED BUS FARES AND RELATED PROVISIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING FOR CONTINUATION OF PRIOR LAW; PROVIDING PENALTY; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4C: Mayor Nelson presented the first reading of an ordinance revising Chapter 8-5 Public and Environmental Health. With the passing of Senate Bill 472, Environmental Health's Dog Friendly Patio requirements have become preempted by State law which takes effect 9/1/2019. The Chapter revision will also include a minor change in mobile food unit standards, general language cleanup, moving vended water/ice regulations into this chapter from State law, capping educational fees, increasing re-inspection fees, and better defining enforcement proceedings. This item was presented by Anthony Spanel, Environmental Health Director. Motion was made that the following captioned ordinance be passed on first reading by Councilmember Powell, seconded by Councilmember Sauer.

ORDINANCE NO. 7809

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AMENDING THE AMARILLO MUNICIPAL CODE, CHAPTER 8-5, ARTICLE I, ARTICLE II, AND ARTICLE IV, VARIOUS SECTIONS, TO REVISE ASPECTS OF NUISANCE AND SANITATION ENFORCEMENT BY THE ENVIRONMENTAL HEALTH DEPARTMENT, INCLUDING AUTHORITY, FEES, PROCEDURES, NOTICES, REMEDIES, PROVIDING NEW REQUIREMENTS FOR LICENSING AND SANITATION OF WATER/ICE VENDING MACHINES AND PROVIDING FOR MANDATORY TRAINING FOR CERTAIN FOOD SERVICE VIOLATIONS; AND RELATED MATTERS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING FOR CONTINUATION OF PRIOR LAW; PROVIDING PENALTY; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4D: Mayor Nelson presented a resolution suspending the rate increase requested by SPS on August 8, 2019; approving interim rates subject to refund; approving joinder with a coalition of other cities; retaining a law firm and consultants; and related provisions and findings. This item was presented by Bryan McWilliams, City Attorney. Mr. Miller stated SPS was an important and essential partner. This provides us the appropriate time to review and understand how it affects all of our citizens. Motion was made by Councilmember Powell, seconded by Councilmember Sauer that the following captioned resolution be passed:

RESOLUTION NO. 09-03-19-1

A RESOLUTION BY THE CITY OF AMARILLO, TEXAS ("CITY") SUSPENDING SOUTHWESTERN PUBLIC SERVICE COMPANY'S PROPOSED EFFECTIVE DATE IN CONNECTION WITH ITS STATEMENT OF INTENT SUBMITTED ON ABOUT AUGUST 8, 2019; APPROVING TEMPORARY RATES; AUTHORIZING THE CITY'S CONTINUED

PARTICIPATION WITH OTHER CITIES IN THE ALLIANCE OF XCEL MUNICIPALITIES ("AXM") TO DIRECT THE ACTIVITIES OF LAWYERS AND CONSULTANTS AND PARTICIPATION IN RELATED RATE PROCEEDINGS; AUTHORIZING THE HIRING OF ATTORNEYS AND CONSULTANTS; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES; REQUIRING PROOF OF NOTICE; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4E: Mayor Nelson presented an item which considers and possibly approves a restatement with Bell Textron, Inc. to clarify 20-years of agreements over seven phases and remove any ambiguities related to the end of lease maturities. This document converts the structure of the agreements from a lease relationship to a notes and deeds of trust relationship. The maturities and the obligations remain the same as in the original agreement. This item was presented by Kevin Carter, Amarillo Economic Development Corporation. Motion was made by Councilmember Powell, seconded by Councilmember Sauer to approve this item as presented.

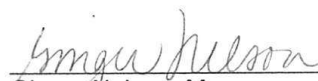
Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4F: Mr. McWilliams advised at 2:25 p.m. that the City Council would convene in Executive Session per Texas Government Code: 1) Section 551.072 -- Deliberate the purchase or sale of real property in accordance with the Texas Open Meetings Act: (a) Discuss property located in the NE quadrant of the Central Business District; 2) Sec.551.071 -- Consult with Attorney about pending or contemplated litigation or settlement of same or on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter. (a) Xcel Reclaim Water; (b) Pending litigation: City of Amarillo vs. Mission Clay Pipe, et al. 3) Section 551.087 -- Deliberation regarding economic development negotiations; discussion of commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by same: (a) Discussion regarding commercial or financial information received from a business prospect and/or to deliberate the offer of a financial or other incentive to a business prospect: -- Project # 19-05-02 (Manufacturing); (b) Discuss property located in the NE quadrant of the Central Business District.

Mr. McWilliams announced that the Executive Session was adjourned at 4:24 p.m. and recessed the Regular Meeting.

ATTEST:


 Frances Hibbs, City Secretary


 Ginger Nelson, Mayor