



**AGENDA-REGULAR
COUNCIL MEETING**

Tuesday, September 22, 2020 – 7:00 pm
Police and Courts Building, 100 West Main Street
Royse City, Texas

A. CALL TO ORDER 7:01 PM BY MAYOR NICHOL

Announce the presence of a quorum.

City Council

Members Present: Mayor, Janet Nichol
Mayor Pro Tem, Council Member Place 2, Clay Ellis
Council Member Place 1, Michael Holder
Council Member Place 3, Bruce Bradley
Council Member Place 5, James Branch
Council Member Place 6, Tom Crowley

City Council

Members Absent: Council Member Place 4, Matt Wheatley

Staff Present:

City Manager, Carl Alsabrook
City Attorney, Jason Day
City Secretary, Deborah Sorensen
Assistant City Secretary, Camille Johnson
Director of Finance, Shannon Raymond
Police Chief, Kirk Aldridge
Fire Chief, Rickey Bell
City Engineer, Lacey Rodgers
Executive Director of Community Development Corp., Charles Houk

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Nichol gave invocation and led the Pledge of Allegiance.

C. PROCLAMATION

1. Hispanic Heritage Month

Mayor Nichol presented the Hispanic Heritage Month Proclamation to President Alma Ramirez of the Rockwall County LULAC.

D. CITIZENS PARTICIPATION

None

E. CONSENT AGENDA

- 1. City Council Minutes: September 8, 2020 Regular Meeting
- 2. Monthly Revenue and Expenditure Report for August 2020

3. Authorize the City Manager to sign letter engaging Rutledge Crain & Company, PC as the firm to conduct the City's audit for the fiscal year ending September 30, 2020.
4. Resolution for the option to enter into the Strategic Hedge Program (SHP) with the Texas Coalition for Affordable Power, Inc. (TCAP) and execute a Professional Services Agreement for TCAP to act as an agent on behalf of the City to enter into a contract for electricity and to execute the Commercial Electricity Service Agreement with GEXA, for energy purchases for service beginning in 2023 through TCAP.
5. Amending the Code of Ordinances by amending Chapter 3 Building Regulations, Division 3. Residential Code, Adopting the 2018 Edition of the International Residential Code, with amendments.
6. Interlocal Cooperation Agreement with Royse City ISD to provide a sub-award of City of Royse City CARES Fund allocation, not to exceed \$70,000 for technology to improve distance learning for Royse City students.
7. Authorize City Manager to sign purchase orders to Dell Technologies and My Computer Guy, not to exceed \$32,000 for technology necessary to improve remote access, funded from City of Royse City CARES Fund allocation.

Council Member Crowley made a motion to accept the Consent Agenda as presented. Council Member Branch seconded the motion. **Motion passed 6-0.**

F. BUSINESS

1. Consider and act concerning a Resolution Approving Renovation and Expansion of the property situated at 841 Justin Road, Rockwall, Texas by the Rockwall Central Appraisal District (CAD), and any matters related thereto.

Rockwall CAD Board Member Russell Summers made a presentation regarding the renovation and expansion of the Rockwall CAD property. Board Member Summers stated the expected average extra cost per year for the City of Royse City is \$4,262 for the Rockwall CAD building addition. The resolution is for a building not to exceed \$3,350,000. The total cost was estimated from a design/development package due to a full set of architectural drawings not being rendered at this time. The full set of architectural drawings will be completed after an approved resolution.

Council Member Crowley asked when Rockwall CAD will undergo improvements and when expected to finish. Rockwall CAD expects to send out to bid the first quarter of next year. Council Member Bradley asked what was the price difference from the last request. It is \$600,000 less than the last request. Council Member Branch asked what the allocation would be if all of the entities didn't approve. It was explained that they need 9 out of 11 entities to approve. All pay their allocation regardless if they approved or not.

Council Member Branch made a motion to approve the Resolution Approving the Renovation and Expansion. Council Member Bradley seconded the motion. **Motion passed 6-0.**

2. Consider and act concerning an Ordinance Authorizing the Issuance and Sale of City of Royse City, Texas Combination Tax and Revenue Certificates of Obligation, Series 2020; levying an annual ad valorem tax and providing for the security for and payment of said Certificates of Obligation; providing an effective date; and enacting other provisions relating to the subject, and any matters relating thereto.

Steven Adams, Financial Advisor from Specialized Public Finance, Inc. (SPFI), gave a presentation regarding the issuance and sale of the City of Royse City, Texas

Combination Tax and Revenue Certificates of Obligation, Series 2020. This morning, SPFI competitively bid the Royse City Certificates of Obligation, Series 2020. Standard and Poor's Global Ratings affirmed the "AA-" for the Certificates. The Aggregate True interest cost is 1.98%, with a final maturity of 2045. The Certificates are scheduled to close on October 22nd. SPFI recommends Royse City award the \$7,590,000 Certificates of Obligation, Series 2020 to HilltopSecurities.

Council Member Branch made a motion to award the \$7,590,000 Certificates of Obligation, Series 2020 to HilltopSecurities. Council Member Crowley seconded the motion. **Motion passed 6-0.**

3. Consider and act concerning an Ordinance Authorizing the Issuance and Sale of City of Royse City, Texas General Obligation Refunding Bonds, Series 2020; levying an annual ad valorem tax and providing for the security for and payment of said Bonds; providing an effective date; and enacting other provisions relating to the subject, and any matters related thereto.

Steven Adams, Financial Advisor from Specialized Public Finance, Inc. (SPFI), gave a presentation regarding the issuance and sale of the City of Royse City, Texas General Obligation Refunding Bonds, Series 2020. This morning, SPFI competitively bid the Royse City General Obligation Refunding Bonds, Series 2020. Standard and Poor's Global Ratings affirmed the "AA-" for the Bonds. The refunding will produce a total savings of \$620,316 and a net present value savings of \$576,287. The True interest costs is 1.00%, with a final maturity date of 2033. The Bonds are scheduled to close on October 22nd. SPFI recommends Royse City award the \$3,565,000 General Obligation Refunding Bonds, Series 2020 to HilltopSecurities.

Council Member Bradley made a motion to award the \$3,565,000 General Obligation Refunding Bonds, Series 2020 to HilltopSecurities. Council Member Branch seconded the motion. **Motion passed 6-0.**

4. Consider and act concerning an Ordinance Approving a Negotiated Settlement Regarding 2020 Atmos Mid-Tex Rate Review Mechanism (RRM) Filings, and any matters related thereto.

Mayor Nichol asked if there was anybody from the public to speak on this agenda item. No one spoke. Jason Day stated this is an annual item. The city has the ability to set rates or have input in the rate settings. There is an alternative rate mechanism. The Atmos rate increase has been negotiated to 90 million. Staff recommends approval.

Council Member Crowley made a motion to approve a Negotiated Settlement regarding 2020 Atmos Mid-Tex Rate Review Mechanism (RRM) Filings. Council Member Holder seconded the motion. **Motion passed 6-0.**

5. Consider and act concerning an Ordinance regarding a Preliminary Plat of Twin Pines Estates, Phase 4, involving 38.363 acres, consisting of 32 single-family lots, situated in the James Roads Survey, Abstract No. 872, Royse City, Hunt County, Texas, and any matters related thereto.

Lacey Rodgers stated the Preliminary Plat of Phase 4 consists of 32, one-acre single-family residential lots on 38.363 acres. The development is located in Hunt County, along County Road 2526, just west of FM 1565. All lots are served by On-Site Sanitary Sewer Facilities (OSSF) in accordance with applicable county and state regulations. Storm water conveyance for each lot will be to open ditches via drainage easements. The Planning and Zoning Commission recommended approval.

Council Member Branch made a motion to approve the Preliminary Plat of Twin Pines Estates, Phase 4. Council Member Holder seconded the motion. **Motion passed 6-0.**

6. Consider and act concerning an Ordinance regarding a Preliminary Plat of Valor Farms, Phase 2, involving 26.124 acres, consisting of 137 single-family lots, situated in the Joseph Prewett Survey, Abstract No. 851, Verandah Municipal Utility District, Hunt County, Texas, and any matters related thereto.

Lacey Rodgers stated the Preliminary Plat of Valor Farms, Phase 2, consists of 137 residential lots on 26.124 acres. Lot size is 50'x120'. A separate 8" water and sanitary sewer line will serve the development including a 31' back-to-back concrete streets within a 50' public right-of-way. Valor Farms is part of the Verandah Municipal Utility District. This plat does not comply with certain conditions of the development agreement, specifically the pocket parks. An amendment from 2017 stated that there would be pocket parks. The pocket parks have not been indicated on the plat. There are current conversations with the developer to get the plat updated to correctly show what was in the development agreement. The Planning and Zoning Commission recommended denial of this plat. Staff recommends denial pursuant to City of Royse City Code of Ordinances, the plat must be consistent with all zoning requirements and any approved development agreement, the vicinity map is not the correct scale, contours of 2 foot intervals are not shown, the layout, number, and approximate dimensions of all proposed lots are not shown, metes and bounds do not match, signature block is incorrect, and certification that all taxes have been paid has not been submitted.

Mayor Pro Tem Ellis made a motion to deny the Preliminary Plat of Valor Farms, Phase 2 based on items stated by staff. Council Member Branch seconded the motion. **Motion passed 6-0.**

7. Consider and act concerning an Ordinance regarding a Re-Plat of the 1565 Hilltop Addition, involving 4.50 acres, consisting of 1 residential lot, situated in the Shelby County School Land Survey, Abstract No. 946, Royse City ETJ, Hunt County, Texas, and any matters related thereto.

Lacey Rodgers stated the Re-Plat is a lot consolidation of two lots into one residential lot on 4.50 acres. The development is located in Hunt County, along the east side of FM 1565, just north of CR 2512. The applicant currently owns two adjoining lots, along FM 1565 frontage, each parcel is 2.25 acres in size. They wish to consolidate their land into one tract, to build a single-family dwelling. The Planning and Zoning Commission recommended approval.

Council Member Crowley made a motion to approve the Re-Plat of 1565 Hilltop Addition. Council Member Branch seconded the motion. **Motion passed 6-0.**

8. Consider and act concerning a Resolution Appointing Three Commissioners to the Planning and Zoning Commission (term October 1, 2020 to September 30, 2022), and any matters related thereto.

Lacey Rodgers stated there are three commissioners whose terms expire on October 1, 2020. Jeff Hays, David Shivers, and Spencer Pattison have expressed interested in continuing to serve and have submitted their applications.

Mayor Pro Tem Ellis made a motion to reappoint the three commissioners to the Planning and Zoning Commission. Council Member Branch seconded the motion. **Motion passed 6-0.**

9. Consider and act concerning approving the Community Development Corporation (CDC) Budget Amendment for FY 2020, and any matters related thereto.

Charles Houk presented the CDC Budget Amendment for FY 2020, which the CDC Board of Directors approved. He wanted the FY 2020 Budget to include the actual income and expenses and to memorialize the disaster relief program. The CDC was able to set aside \$300,000 for the program. To-date, the program has expended \$263,000. They have helped 40 businesses, that represents 273 employees.

Council Member Crowley made a motion to approve the Community Development Corporation Budget Amendment for FY 2020. Council Member Holder seconded the motion. **Motion passed 6-0.**

10. Consider and act concerning approving the Community Development Corporation (CDC) Budget for FY 2021, and any matters related thereto.

Charles Houk presented the CDC Budget for FY 2021, which the CDC Board of Directors approved.

Council Member Bradley made a motion to approve the Community Development Corporation Budget for FY 2021. Mayor Pro Tem Ellis seconded the motion. **Motion passed 6-0.**

11. Discussion concerning City Manager update: Development, and any matters related thereto.

Carl Alsbrook stated that due to the weather, not much is going on. Smoke Sessions is making great progress. No dates for Native Station and Thirsty Bros on when they will begin working again. No street work done due to the weather. He added that Superintendent Kevin Worthy thanked the City for being willing to share the CARES fund. By the end of the week, the city should have a conclusion to the NTMWD lawsuit. Their interim director has done a great job and supports this settlement.

G. RECESS CITY COUNCIL MEETING AT 7:53 PM

H. EXECUTIVE SESSION

Recess into Closed Session in compliance with Section §551.001 etseq. Texas Government Code, to wit:

Section §551.071 – Consultation with City Attorney

1. Discussion concerning the legal status of Bearpen Creek Municipal Utility District (MUD).

I. CLOSE EXECUTIVE SESSION AT 8:13 PM

J. RECONVENE CITY COUNCIL MEETING AT 8:13 PM

1. Further discussion and possible action from Executive Session concerning the legal status of Bearpen Creek Municipal Utility District (MUD), and any matters related thereto.

Mayor Pro Tem Ellis made a motion to schedule at the next meeting dissolution of the Bearpen Creek Municipal Utility District (MUD). Council Member Branch seconded the motion. **Motion passed 6-0.**

K. FUTURE AGENDA ITEMS

1. Consider and/or action to determine and direct City Staff in scheduling topics for discussion at future City Council Meetings, and any matters related thereto.

Mayor Nichol asked when the new parking lot will open. Lacey responded that barricades/guardrails and signs need to go up. Council Member Branch stated the road at the intersection of FM 35 and I-30 is bad, Wynn Jackson is mudding FM 35 and there needs to be extra signage at FM 2453 and FM 35. Mayor Nichol added that the large pothole at FM 548 and I-30 is back. Lacey stated she will look into and take care of all of the items.

L. ADJOURN AT 8:18 PM

Mayor Pro Tem Ellis made a motion to adjourn the meeting. Council Member Crowley seconded the motion. **Motion passed 6-0.**


Janet Nichol, Mayor

ATTEST:


Deborah Sorensen, TRMC, MMC
City Secretary

