

**CITY COUNCIL MINUTES
AUGUST 8, 2023
9:00 A.M.**

The City Council of the City of Sweetwater, Texas, met in regular session on Tuesday, August 8, 2023, at 9:00 a.m. in the City Council Room at City Hall, 200 E. Fourth Street with the following members present:

JIM MCKENZIE, Mayor
JOHN MCPHERSON, Mayor Pro Tem
JEROD PEEK, Councilman
KERRY BAKER, Councilman

BECKY JIMENEZ, City Secretary
JEFF ALLEN, City Attorney

ABSENT: **RICKY CASTRO**, Councilman
DAVID A. VELA, City Manager

Staff Members present: Lisa Adames Assistant City Manager for Administration, Kirsta Koennecke Finance Director, Lynn Barrett Director of Planning and Operations, Cory Stroman Assistant Police Chief, Eddy Campbell Utilities Director, Dewey Coy Fire Chief, and Zach Adames IT Director.

1. Mayor McKenzie called the meeting to order.
2. Father Brian Callen with St. Stephens Episcopal Church gave the invocation.
3. Councilman Peek led the Pledge of Allegiance to the American and the Texas Flags.
4. Motion was made by Councilman Baker, seconded by Mayor Pro Tem McPherson to approve the minutes for the meeting held on July 11, 2023. The motion carried unanimously.
5. Public Input: KC Peebles spoke in regards to the clean up on Pecan Street. He recommended using that area for the Farmer's Market and developing the space for parties and gatherings for families.
6. Consent Agenda Items

Motion was made by Councilman Peek, seconded by Councilman Baker to approve the Consent Agenda Items 6A and 6D. The motion carried unanimously.

- A. City Council to discuss, consider and act upon a Resolution of the City of Sweetwater, Texas finding that Oncor Electric Delivery Company LLC's application to amend its distribution cost recovery factor and update

generation riders to increase distribution rates within the City should be denied; authorizing participation with the steering committee of cities served by Oncor; authorizing hiring of legal counsel; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this Resolution is passed is open to the public as required by law; requiring notice of this Resolution to the company and legal counsel.

COPY OF RESOLUTION IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XVI PAGES 3177 – 3178.

A RESOLUTION OF THE CITY OF SWEETWATER, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR AND UPDATE GENERATION RIDERS TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AUTHORIZING HIRING OF LEGAL COUNSEL; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

- B. City Council to discuss, consider and act upon approval to solicit annual bids for fuel, oil and lubrication products and hot mix cold lay asphalt for Fiscal Year 2023 – 2024.
- C. City Council to discuss, consider and act upon a Resolution reviewing and approving the Financial Policy and Federal Grant Procurement Policy for Fiscal Year 2024.

COPY OF RESOLUTION IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XVI PAGES 3179 – 3212.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SWEETWATER, TEXAS, APPROVING THE FINANCIAL POLICY AND FEDERAL GRANT PROCUREMENT POLICY, ATTACHED AS EXHIBIT A; PROVIDING FOR A REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

- D. City Council to discuss, consider and act upon a Resolution approving the annual Rate Review Mechanism (RRM) rate increase from Atmos Mid-Tex.

COPY OF RESOLUTION IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XVI PAGES 3213 – 3217.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SWEETWATER, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2023 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

7. Regular Agenda Items

- E. Motion was made by Councilman Peek, seconded by Councilman Baker to award proposals for health, dental and life benefits for Fiscal Year 2023-2024 which remained the same. The motion carried unanimously.
- F. Motion was made by Councilman Baker, seconded by Mayor Pro Tem McPherson to approve Change Order #3 for the Water Meter Replacement and AMI Project. The motion carried unanimously.
- G. Motion was made by Councilman Peek, seconded by Mayor Pro Tem McPherson to schedule a public hearing for September 12, 2023 on the proposed budget for Fiscal Year Ending 2023-2024. The motion carried unanimously.
- H. Motion was made by Mayor Pro Tem McPherson, seconded by Councilman Peek to approve a proposal of \$0.507150 cents per \$100 of valuation and to schedule a public hearing for September 12, 2023 and a second hearing and adoption date of September 19, 2023. A record vote was taken as follows:

CITY COUNCIL MINUTES
August 8, 2023

Mayor Pro Tem McPherson: For
Councilman Baker: For
Councilman Peek: For
Mayor McKenzie: For

The motion carried unanimously.

- I. Motion was made by Councilman Peek, seconded by Councilman Baker to approve soliciting bids for Bank Depository. The motion carried unanimously.
- J. Motion was made by Mayor Pro Tem McPherson, seconded by Councilman Peek to approve authorizing the City Manager to terminate the MOU with Dyess Air Force Base that allowed military training at the city's airport based upon the original intent related to a past event, the 2023 WASP homecoming this past April. The motion carried unanimously.
- K. Motion was made by Mayor Pro Tem McPherson, seconded by Councilman Peek to approve an Ordinance amending City Cemetery Chapter 8, Section 8-20. The motion carried unanimously.

COPY OF ORDINANCE IS LOCATED IN THE ORDINANCE AND CONTRACT BOOK XVI PAGES 3218 – 3219.

AN ORDINANCE OF THE CITY OF SWEETWATER, TEXAS, AMENDING THE CODE OF ORDINANCES, CHAPTER 8 "CITY CEMETERY" BY DELETING THE EXISTING SECTION 8-20 ENTITLED "BENCHES, FENCING, ETC., PROHIBITED" AND SUBSTITUTING IN A NEW SECTION 8-20 ENTITLED "CONCRETE GROUND COVERING LIMITATIONS; BENCHES, FENCING, ETC. PROHIBITED; EXCEPTIONS & HOLIDAY DECORATIONS."

- L. Motion was made by Councilman Peek, seconded by Councilman Baker to approve a new Hangar Lease Agreement Base Form for Avenger Airport hangar lease tenants. The motion carried unanimously.
- M. Motion was made by Councilman Peek, seconded by Mayor Pro Tem McPherson to approve the International Property Management Code (IPMC) and authorizing the drafting of local amendments. The motion carried unanimously.
- N. Motion was made by Councilman Baker, seconded by Mayor Pro Tem McPherson to enter into a public hearing to consider and discuss a rezoning request for Lot 3 & w/36.5' of Lot 4, Block 28, Eastern Addition. (Also known as 111 Beryle St, 301 E Ave B and 307 E Ave B) from "C" Dwelling District to "J" Industrial District. The motion carried unanimously.

CITY COUNCIL MINUTES

August 8, 2023

Lynn Barrett, Director of Planning and Operations spoke about the request of rezoning the properties to J from C to allow an accessory greenhouse use in addition to planned retail on the property.

Mr. Josh Moore spoke on behalf of his family who is purchasing the properties and explained the plan of a retail shop, growing plants and offering produce for sale.

Motion was made by Councilman Peek, seconded by Councilman Baker to close the public hearing and enter into regular session. The motion carried unanimously.

- O. Motion was made by Mayor Pro Tem McPherson, seconded by Councilman Peek to approve a rezoning request for Lot 3 & w/36.5' of Lot 4, Block 28, Eastern Addition. (Also known as 111 Beryle St, 301 E Ave B and 307 E Ave B) from "C" Dwelling District to "J" Industrial District. The motion carried unanimously.

8. City Manager's Report

- A. Council Meetings – September 12 and 19, 2023
- B. Kirsta Koennecke – Finance Director
- C. Kaylie Smith, Animal Control Officer
- D. Municipal Pool Closing – August 13, 2023
- E. Pecan Street Clean Up
- F. Pickleball Court
- G. Code Enforcement Update

- 9. Motion was made by Councilman Peek, seconded by Mayor Pro Tem McPherson to enter into closed session at 9:36 a.m. in accordance with Section 551.071 and 551.087 of the Texas Government Code. The City Council met in closed session to consult with its attorney on economic incentives in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, to wit, the legal position of the City with regard to:

- Discussion related to legal issues, and commercial and/or financial information received related to a potential tax abatement;

The motion carried unanimously.

- 10. Motion was made by Mayor Pro Tem McPherson, seconded by Councilman Peek to reconvene into regular session at 9:53 a.m. The motion carried unanimously.

CITY COUNCIL MINUTES

August 8, 2023

11. Motion was made to adjourn by Councilman Baker, seconded by Mayor Pro Tem McPherson. There being no further business, the meeting adjourned at 9:54 a.m. The motion carried unanimously.

Jim McKenzie, Mayor

ATTEST:

Becky Jimenez, City Secretary

Persons signing register: Shaun Martin, Kathy Kirby, Nancy Johnson, Josh Moore, Peter Gonzales, Ethan Whittenburg, Miesha Adames, KC Peeples, Jonathan Blum, Sage Diller and Stacy Boil