

The Early City Council met in regular session on Tuesday, July 27, 2021 at 6:00 p.m. with the following members present:

Mayor Mangrum
Council members:
Leland Acker
Travis Eoff
Benny Allcorn
Garry Forisha
Charles Matlock

City Administrator Tony Aaron
Economic Development Director Larry McConn
City Secretary Brenda Kilgo
City Attorney Mark Bessent

Establishing a quorum present, Mayor Mangrum called the meeting to order. Mr. Forisha gave the invocation and led the Pledge of Allegiance.

Citizen's comments

There were no citizens present.

Consideration of the minutes of regular meetings held on July 13, 2021.

Mr. Eoff made motion, seconded by Mr. Matlock to approve the minutes for both meetings as presented. All members present voted "aye".

Consideration to approve authorization of City Administrator to enter into an agreement with Lloyd Gosselink Attorneys at Law for review and negotiation of Atmos franchise agreement.

The City received notice that the franchise agreement between the City and Atmos is up for renewal. Mr. Aaron explained that due to the length of the agreement (twenty-five years) and the level of information within the agreement, he reached out to Lloyd Gosselink firm. This firm is also the attorney representing the cities participating in the Atmos Steering Committee. Although this is not part of the services covered within the Steering Committee participation, the firm is very experienced with this topic.

An official engagement letter will be forthcoming but Mr. Aaron has received a verbal proposal of approximately \$3,000 for the firm to review and negotiate the franchise agreement on behalf of the City of Early. Mr. Aaron stated that there are funds available within the current budget and recommends that the Council approve authorization for him to enter into the agreement with Lloyd Gosselink for an amount not to exceed \$4,000.

Mr. Allcorn made motion, seconded by Mr. Matlock, to approve the authorization of Mr. Aaron to enter in to an agreement, as presented, for an amount not to exceed \$4,000. All members present voted "aye".

Discuss and consider proposed tax rate for 2021/2022 fiscal year (Take a record vote and schedule public hearings).

A tax rate sheet was distributed to the Council providing the No-New-Revenue Rate, Voter-Approval Rate, De Minimis Rate calculated from the Brown County Appraisal District along with the 2020 tax rate, proposed 2021 tax rate and a few optional rate calculations for review.

Mr. Aaron explained that the certified taxable value is \$317,092,782; with the deduction of the freeze tax values the taxable value lowers to \$272,142,298, which is the amount used to calculate the property tax revenue as shown on the handout. Mr. Aaron also noted that the revenue is based on an 86.6% collection rate due to the pending law suit for contested values of approximately \$47.5 million that is not expected to be settled within this budget year.

In consideration of the increase in property values and the additional sales tax revenue used to reduce property tax, a tax rate of 0.4993 is proposed as follows:

M&O	0.3993
I&S	<u>0.1000</u>
Total	0.4993

This is a reduction of 6.34% from the 2020 rate of 0.5310. Mr. Aaron stated that the current proposed budget is based on the 0.4993 rate, which will increase total property tax revenue by \$89,970.

Mr. Acker made motion, seconded by Mr. Matlock, to approve and propose a tax rate of 0.4993 for 2021. The motion passed with an "aye" from Mr. Allcorn, Mr. Forisha, Mr. Eoff, Mr. Acker and Mr. Matlock on a record vote.

Public Hearings dates are scheduled for Tuesday, August 10th at 6:00 p.m. and Friday, August 13th at Noon.

Executive Session in accordance with the provisions of Chapter 551, Texas Government Code.

Executive Session was not necessary, the meeting remained in Open Session.

Administrator's Report

No Administrator's report was given.

Budget Workshop

Utility rates

- BCWID to increase rates by 2.2% to \$1.7525/thousand gallon, City has absorbed last 5 year increases without increasing rates to Early citizens
- No rate increases since 2016, large gap in rates as compared to region and county rates

- Current proposed budget includes the proposed rate increases
- Proposed rate increase
 - o Water
 - \$28/base from \$25
 - Commercial and irrigation base charge on meter size
 - reduce usage tier rate - \$6.95/\$7.95/\$8.95
 - increase to tap fees per meter size
 - o Sewer
 - \$27/base from \$18.50
 - no reduction to tier rate
 - o Sanitation
 - \$22/base from \$20
 - increase to dumpster rates - \$60/1 pickup per week; \$20 increments for each additional pickup per week

Examples of water bills with the current rates and new rates were provided to show a comparison for residential and commercial customers. The increase to an average usage resident is approximately \$6/month and \$11/month for a resident with higher usages such as a sprinkler system; the increase for a commercial account with an irrigation system is approximately \$28.11/month.

Council discussion and general consensus remains to move forward with rates as proposed within the budget as calculated.

Capital Projects Plan

- Street improvement plan
- Water and Sewer infrastructure replacement plan
- Other facility improvements
- Five-year scale estimated at approximately \$8.142 million; no debt service included within that amount

Announcements

American Rescue Plan – all paperwork has been completed and submitted to receive the funds once distributed from the State through Texas Department of Emergency Management (TDEM); first allocation expected for distribution and receipt within the next week for approximately \$380,000; a budget will be created for those funds but is not included within the current 2021/2022 proposed budget at this time; eligible use of the funds include for drainage, water and sewer infrastructure, parks/open areas, and essential worker pay rates; not able to use the funds for existing project in order to reduce the budget.

Adjourn

Completing all business matters, Mr. Matlock made motion to adjourn the meeting. Mr. Acker seconded the motion and all members present voted "aye", adjourning the meeting at 6:52 p.m.

08-10-2021

DATE

Robert S. Mangum

MAYOR

Brenda Kilgo

CITY SECRETARY



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PHONE 325-643-5451

COUNCIL MEETING
960 Early Blvd.
TUESDAY AUGUST 10, 2021 6:00 PM
AGENDA

- A. Call to order, Invocation, Pledge of Allegiance
- B. Consideration of the minutes of regular meetings held on July 27, 2021.
- C. Citizen's comments.
- D. PUBLIC HEARING – 2021 TAX RATE**
- E. Matters of New Business
 - 1. Consideration of approval for Early ISD Homecoming: *By: Tony Aaron*
 - i. Street closure for parade
 - ii. Variance allowing a bonfire
 - 2. Consideration of approval to enter into a contract agreement with Jacob & Martin for engineering services for water and sewer infrastructure plan on the Town Center Project. *By: Tony Aaron*
 - 3. Consider approval of an agreement for services with GrantWorks, Inc. for the preparation and submission of applications to the Texas Parks and Wildlife Department grant programs. *By: Tony Aaron*
 - 4. Consider to approve **Resolution 2020-R11**, authorizing the application for the Local Parks Grant Program. *By: Tony Aaron*
 - 5. Discuss and consider to approve the Town Center Recreational Park master plan design. *By: Tony Aaron*
 - 6. Consideration of approval for the submission of a grant application for the Habitat and Angler Access Program. *By: Tony Aaron*
- F. Executive Session in accordance with the provisions of Chapter 551, Texas Government Code, Section 551.074 Personnel Matters, regarding City Administrator employment agreement.
- G. Reconvene into Open Session and consider action, if any, on items discussed in executive session.
- H. Administrator Report
- I. Budget Workshop
- J. Announcements
- K. Adjourn