

The Early City Council met in special called session on Tuesday, October 11, 2022 at 5:00 p.m. with the following members present:

Mayor Mangrum

Council members:

Benny Allcorn

Leland Acker

Garry Forisha

Charles Matlock

Travis Eoff

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. Matlock gave the invocation and led the Pledge of Allegiance.

Consideration of the minutes of special meeting held on September 13, 2022.

Mr. Forisha made motion, seconded by Mr. Matlock, to approve the minutes as written. All members present voted “aye”.

Citizen's comments

There were no citizen comments.

Consideration to approve Resolution 2022-R11, finding that Oncor Electric Delivery Company LLC's application to change rates within the City should be denied.

The Steering Committee for cities serviced by Oncor recommends that participating cities deny the rate increase proposed by Oncor in order for the Steering Committee to proceed with negotiations of a settlement on the proposed rate increases. The proposed rate increase by Oncor with increase transmission and distribution rates to \$251 million, a 4.5% increase over last year's rates, resulting in an increase to residential rates of 11.2%. If a rate negotiation is not settled then the next step will be regulation through the Public Utility Commission.

Mr. Allcorn made motion to approve Resolution 2022-R11 as recommended by the Steering Committee. The motion was seconded by Mr. Matlock and all members present voted “aye”.

Consideration of Ordinance 2022-14, amending the procurement policy within the Comprehensive Financial Management Policy.

Mr. Aaron explained that the procurement policy did not clearly state procedures for spending or RFQ guidelines for the use of State or Federal funds, such as the ARPA or TXDOT grants. In this ordinance, Article 5.3 (purchasing procedures with Federal funds) is amended with more specific language and Article 5.24.1 is added to include specific language for Request for Qualifications (RFQ) of professional services and capital projects for the use of State highway and TXDOT funds. This ordinance also includes for the addition of Article 22 for any addendums relevant to this policy.

Mr. Allcorn made motion to approve Ordinance 2022-14 as recommended. The motion was seconded by Mr. Matlock and all members present voted "aye".

Discuss financial strategies for next steps on Town Center Development projects.

Mr. Aaron preluded this discussion with an update on Town Center development:

- Within days of priming the parking lot, Buena Vista and Kelcy Way for laying hot mix
- Concrete tie-in at Early Blvd intersection completed
- Anticipate approximately 6-weeks for open to public once striped, street lights and traffic control completed
- 90% sidewalk plans completed
- Lake construction slated to begin first of November; March 2023 completion
- RFP notice in progress for the batting cages
- MDD budget includes \$400,000 for Boardwalk project
- Sale of property for development sites on lakeshore require a road plan and at this time a date of delivery is hard to provide

Based on the plans and time frame above, a preliminary discussion regarding debt issuance or grants is pertinent.

The Economic Development Assistance grant may be a good fit to fund the road parallel to Kelcy Way. It is a 50% match reimbursement grant with no cycle (no deadline, application period, etc.) so currently anticipate filing application in January.

The current I&S debt matures in 2027, a thought would be to structure future issuance to overlap and be in conjunction with the current debt through maturity and new payments for approximately the same amounts. Estimated time frame for debt issuance (certificates of obligations) about 45 days.

Estimated cost for a new road and completion of the Boardwalk are approximately \$1.5 to \$2 million each (\$3 to \$4 million total). Strictly budget based availability of funds without debt issuance would be a phased project beginning in the 2023/2024 fiscal year or after.

Discussion also included land values, cost per square foot, market support and market comparison, resulting in a general consensus of the Council for staff to proceed with research for debt issuance options and presentation from Financial Advisor in an upcoming Council meeting.

Administrator's Report

An internal review of a fraud risk analysis was completed by city staff last month. A risk analysis matrix was provided summarizing the policies and identified categories, fraud risk potential and effectiveness of current controls. No Council approval is required, mainly a reporting consideration as an internal audit procedure to assess any potential fraud risk as well as internal controls and policies.

Announcements

National Night Out – tonight, October 11th

Early Chamber of Commerce Banquet – October 17th at Prima Pasta Restaurant

Adjourn

Concluding all business, Mr. Acker made motion to adjourn the meeting. Mr. Matlock seconded the motion and all members present voted “aye”, adjourning the meeting at 5:35 p.m.

11-08-2022

DATE

Randy Mangum

MAYOR

Brenda Kilgo

CITY SECRETARY