

The Early City Council met in regular session on Tuesday, November 8, 2022 at 6:00 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. Allcorn gave the invocation and led the Pledge of Allegiance.

Consideration of the minutes of special meeting held on October 11, 2022.

Mr. Acker made motion, seconded by Mr. Forisha, to approve the minutes as written. All members present voted "aye".

Citizen's comments

There were no citizen comments.

Consideration to appoint Early Municipal Development District board member to fill a vacancy.

Mayor Mangrum recommended the appointment of Kris Sparks to fill the vacancy on the MDD Board.

Mr. Forisha made motion to appoint Kris Sparks to the Early Municipal Development District Board. The motion was seconded by Mr. Matlock and all members present voted "aye".

Consider approval to enter into agreement with Volkert, Inc. for engineering services on the North/South roadway in Town Center project.

Mr. Aaron explained that this item is included within the budget for the Town Center development project and formalizing an agreement for the engineering services to include the drainage (approximately \$36,000), the north/south roadway from Kelcy Way (approximately \$23,000) both to be included within the EDA grant application (approximately \$9,500). The estimated \$68,500 is accounted for within the Street Improvements line item of the 22/23 fiscal budget.

Mr. Allcorn made motion to approve the agreement as recommended in an amount not to exceed \$68,500. The motion was seconded by Mr. Acker and all members present voted "aye".

Consider approval to enter into agreement with Meers Engineering, Inc. for public restroom project at Town Center.

Meers Engineering provided the design for the restroom facility located at the Brothers RV park, this design will be similar to the size and structure of the restrooms for the Town Center parking lot. Meers submitted a proposal of \$2800 to engineer the design for the restroom facility at Town Center.

Mr. Allcorn made motion, seconded by Mr. Matlock, to approve the agreement with Meers Engineering, Inc. for an amount not to exceed \$2800. All members present voted "aye".

Consider approval to solicit Request for Qualifications of Engineers for Transportation Alternative (TA) Grant Project.

The TA Grant is the sidewalk project that connects points throughout the city, to included Parkway, Orchard, Early Blvd, Longhorn, McDonald Park and Industrial Blvd. Through the grant, it is the City's responsibility to go through the RFQ process but the engineering services will be paid with grant funds. The grant total is \$903,000, with \$870,000 being federal funds and \$33,000 state funds; requiring \$0 from local funds. The RFQ process includes publishing the notice in the newspaper and on the website as well as direct solicitation to engineering firms.

Mr. Acker made motion, seconded by Mr. Matlock, to approve the solicitation for RFQ as presented. All members present voted "aye".

Consider approval to solicit for Request for Qualifications of Engineers for Crescent neighborhood Sewer line rehab project.

This item is required by Texas Water Development Board for the sewer line rehab project in the Crescent Drive neighborhood in order to use the remaining TWDB funds. Jacob & Martin has already designed the project but the process requires the RFQ for an engineering firm to oversee the project, which can be Jacob & Martin as well but must go through the RFQ submission, scoring and award process requirements.

Mr. Acker made motion, seconded by Mr. Forisha, to approve the solicitation for RFQ as presented. All members present voted "aye".

Discuss and consider authorization for the City of Early to issue requests for proposals (RFP) for administrative services and requests for qualifications (RFQ) for the 2023-2024 Texas Community Development Block Grant Program administered by the Texas Department of Agriculture.

This item is for the Texas Community Development Block Grant through the Texas Department of Agriculture for an amount up to \$500,000. Requirements of the grant eligibility is for a low to moderate income neighbor and is prospected to rebuild McDonald Drive.

The RFP will be for administrative services to assist in the grant application process and to be paid for with grant funds if awarded. The RFQ will be for engineering services for the project of rebuilding the street. The RFQ notice must be published in the newspaper and on the website along with direct solicitation. The RFP is only required to include a direct solicitation method of notice.

Mr. Forisha made motion to approve to issue requests for RFP and RFQ as presented. Mr. Matlock seconded the motion and all members present voted "aye".

Consider approval to solicit a Request of Proposal from a sole source supplier for the purchase of water meter sets with the use of American Rescue Plan Act (ARPA) funds.

This is a project slated for the use of approximately \$100,000 of ARPA funds to replace meter sets (meter base, encoder and endpoint) from the old radio transmittal system to the cellular transmission system. There are approximately 1400 meters within the City's customer base, approximately 1000 of those are still using the radio transmittal system. There is only one vendor source for this type of meter sets for our system. The sets cost approximately \$300 to \$350 each. The RFP will be direct solicit to the sole source vendor for the best price and quantity available and we'll purchase and replace as many as the \$100,000 will allow.

Mr. Allcorn made motion to approve the RFP from a sole source vendor for the meter sets as presented. Mr. Acker seconded the motion and all members present voted "aye".

Presentation and discussion regarding issuance of debt in the form of Certificates of Obligation.

Mr. Erik Macha and Mr. Kristopher Vasquez, Hilltop Securities, joined the meeting via video conference at 6:23 p.m. Printed copies of a few scenarios regarding the issuance of certificates of obligation were provided to the members of Council for the purpose of this discussion.

Mr. Macha explained the timeline of the process for debt issuance:

- Initiate the process by setting a not to exceed amount of the debt amount
- Publish in the newspaper for 2 consecutive weeks
- After 46 days reconvene to authorize the issuance and set the interest rates

Considering this timeline it would be February or March 2023 when the debt issued and funds received.

Three scenarios were provided for the purpose of this discussion, in all three scenarios the property tax base is at the current value and assumes no growth for the next year.

Scenario 1 - \$3M debt issuance with an I&S rate of approximately \$0.1167

Scenario 2 - \$4M debt issuance with an I&S rate of approximately \$0.15

Scenario 3 - \$4M debt issuance with an I&S rate of approximately \$0.1142, to include a pay down of debt with \$1M from grant funds (EDA) or funds from the sale of development property sites within Town Center.

The existing I&S rate is at \$0.0779 (noted that without the contingent tax suit that rate would be closer to \$0.11 - \$0.12).

Current debt matures in 2027 and was noted that the City would want to reissue before or by that maturity date to keep an I&S rate within the tax calculation.

The interest rate included for the scenarios is 3% above market as a conservative factor for the purpose of the scenarios. Mr. Macha noted that to have a fixed rate available at issuance an option would be to have some notes callable after three years if anticipate pay down of debt with

grant funds or funds from the sale of property. A cost of approximately 0.08% would be added to the cost of issuance for the flexibility to change those callable or not.

The Council had no other questions for Mr. Macha and he ended the video conference at 6:41 p.m.

Mr. Aaron stated to the Council that the option of pay down for the purpose of lowering the I&S rate would be discussed as part of the budget planning each year. He also provided a cost estimate breakdown of the projects slated for the debt issued:

Kelcy Way (lighted and landscaped)	\$1M
North / South roadway from Kelcy	\$1M - \$1.5M
Boardwalk	\$1M - \$1.5M
 2022/2023 Budget amount	 \$400,000

This discussion ended with consensus for Mr. Aaron to proceed with the next step for the process to issue the debt in the form of certificates of obligation as discussed.

Consideration to approve final plat for Lot 1, Early Business Development No. 1, Phase II.

Mr. McConn explained that this plat is for the property to be purchased by the EMDD that is located behind Petco on Parkway. It is approximately 1.3 acres and meets the UDC requirements as well as all state and local statutes.

The Planning & Zoning Board met on November 7th and approved the plat with the recommendation for Council's final approval.

Mr. Allcorn made motion, seconded by Mr. Matlock to approve the final plat for Lot 1, Early Business Development No. 1, Phase II as presented. All members present voted "aye".

Public Hearing - Petition of Annexation

– Approximately 10.676 acres of Jacob Duckworth, Survey 56, Abstract 240.

Mayor Mangrum opened the Public Hearing at 7pm. Mr. McConn presented the request from Legends Land Development, LLC for annexation of approximately 10.676 acres for a development on Salt Creek near Longhorn Drive. The required notices were published and sent with no response received for or against the request.

Having no questions or public attendance, Mayor Mangrum closed the Public Hearing at 7:02 p.m.

Consideration to approve final plat for Early Estates Subdivision, Brown County, Texas.

Early Estates Subdivision is a master plan development, Phase I has a 100+ lots for residential development, Phase II will consist of roads for the development. The plat approval is for all of Phase I lots and roads planned for Phase II but does not include the lots for Phase II. The plans are engineered as required by UDC requirements and standards.

Planning and Zoning met on last night and approve the plat and recommend the Council's action for final approval.

Mr. Acker made motion, seconded by Mr. Forisha, to approve the final plat for Early Estates Subdivision as presented. All members present voted "aye".

Consideration to approve Ordinance 2022-15, to annex approximately 10.676 acres of Jacob Duckworth, Survey 56, Abstract 240, into city limits.

Mr. Acker made motion to approve Ordinance 2022-15 to annex 10.676 acres of Jacob Duckworth, Survey 56, Abstract 240 into Early city limits. Mr. Allcorn seconded the motion and all members present voted "aye".

Consideration to approve a Service Agreement for Annexation of Jacob Duckworth, Survey 56, Abstract 240.

As required by Local Government Code 43.016 an agreement must state that the city will provide the same services to the property annexed as to all properties within city limits. Those services include water and sewer service, fire and emergency services, code compliance, etc. The developer is responsible for the infrastructure of the lines within the property to supply the services to the structures. This agreement is between City of Early and developers of Early Estates subdivision.

Mr. Allcorn made motion, seconded by Mr. Acker, to approve the services agreement as presented. All members present voted "aye".

Administrator's Report

Mayor Mangrum modified the agenda to have Mr. Aaron provide the Administrator's report and discuss the Departmental reports for the 4th quarter of the 2021-2022 fiscal year.

Due to time constraints and the lengthy agenda, Mr. Aaron opted to not have presentations of the reports but the Council was provided with an emailed copy prior to the meeting. Department heads were present for any questions of the Council regarding the reports or other concerns.

Mr. Aaron also briefed the Council on the progress of Town Center project, stating that the landscaping was in process and that the project is an all hands on deck by all departments participating. The lake is under construction and going well, bids on the batting cages will be solicited by the EMDD and awarded in December.

Executive Session in accordance with the provisions of Chapter 551, Texas Government Code, Section 551.072 Real Property and Section 551.087 Economic Development.

Mr. Acker made motion, seconded by Mr. Forisha, to enter into Executive Session. All members present voted "aye" and entered into closed session at 7:17 p.m.

Reconvene into Open Session and consider action, if any, on items discussed in Executive Session.

Mr. Forisha made motion to reconvene into open session. Mr. Eoff seconded the motion and all members present voted "aye", exiting closed session at 7:47 p.m.

Consideration to approve Resolution 2022-R12, authorizing a 380 agreement between City of Early and Legends Land Development, LLC regarding Early Estates subdivision and development.

Mr. Acker made motion, seconded by Mr. Matlock, to approve Resolution 2022-R12 authorizing a 380 agreement as presented. All members present voted "aye".

Consider approval of Resolution 2022-R13, authorizing a 380 agreement between City of Early and Solaris Oilfield Infrastructure.

Mr. Acker made motion to approve Resolution 2022-R13 authorizing a 380 agreement with Solaris Oilfield Infrastructure. Mr. Matlock seconded the motion and all members present voted "aye".

Consider approval of Resolution 2022-EDR06, authorizing a 380 agreement between Early Municipal Development District and Solaris Oilfield Infrastructure.

Mr. Matlock made motion, seconded by Mr. Acker, to approve Resolution 2022-EDR06 authorizing a 380 agreement with Solaris Oilfield Infrastructure. All members present voted "aye".

Consideration to approve Resolution 2022-EDR07, approving a loan for the purchase of real property.

Mr. Forisha made motion to approve Resolution 2022-EDR07 for a loan in the amount of \$202,700 to purchase real property. Mr. Allcorn seconded the motion and all members present voted "aye".

Consider Resolution 2022-EDR08, on first reading, approving Municipal Development Funding request from T&D Restaurants.

Mr. McConn provided the first reading of Resolution 2022-EDR08:

A RESOLUTION OF THE EARLY MUNICIPAL DEVELOPMENT DISTRICT A POLITICAL SUBDIVISION OF THE CITY OF EARLY, TEXAS, APPROVING AN AGREEMENT BETWEEN THE EARLY MUNICIPAL DEVELOPMENT DISTRICT AND T&D RESTAURANTS, INC. DBA HUMPHREY PETE'S, AWARDING ECONOMIC DEVELOPMENT SALES TAX FUNDS TO T&D RESTAURANTS, INC. DBA HUMPHREY PETE'S LOCATED AT 102 EARLY BLVD. IN EARLY TEXAS IN THE AMOUNT NOT TO EXCEED \$22,026.25 FOR FISCAL YEAR 2022/2023; AND AUTHORIZING THE DIRECTOR OF ECONOMIC DEVELOPMENT TO EXECUTE THE NECESSARY DOCUMENTS; AND PROVIDE AN EFFECTIVE DATE.

This is the first reading only; no Council action may be taken.

Consider Resolution 2022-EDR09, approving Municipal Development funding request from the City of Early.

Mr. Eoff made motion, seconded by Mr. Matlock, to approve Resolution 2022-EDR09 for a Municipal Development grant to the City of Early in the amount of \$10,000. All members present voted "aye".

Announcements

Town Center project tour – Thursday, November 17th at 4PM

Annual Tree Lighting – Tuesday, November 29th at 6PM

City annual Christmas party – Thursday, December 15th at Early Visitors and Events Center

Adjourn

Concluding all business, Mr. Matlock made motion to adjourn the meeting. Mr. Forisha seconded the motion and all members present voted "aye", adjourning the meeting at 7:57 p.m.

12-13-2022

DATE

Robert J. Matlock

MAYOR

Brenda Kilgo

CITY SECRETARY