

JULY 24, 2018

5:30 P.M.

COUNCIL CHAMBER, 110 NORTH 8TH STREET

GATESVILLE, TEXAS 76528

AN OPEN MEETING WAS HELD CONCERNING THE FOLLOWING SUBJECTS:

1) CALL TO ORDER REGULAR CITY COUNCIL MEETING AT 5:30 P.M., THIS 24TH DAY OF JULY, 2018

PRESENT: Mayor Gary Chumley, Council Members; Dwight Suson, Meredith Rainer, Ronnie Viss, Tim Woodlock, David Mitchell and Jack Doyle

OTHERS PRESENT: City Manager William H. Parry III, City Secretary Wendy Cole, Brenda Kiphen, Rene Ochoa, and Kaley Branch

2) HEAR VISITORS/CITIZENS FORUM: AT THIS TIME, ANY PERSON WITH BUSINESS BEFORE THE COUNCIL NOT SCHEDULED ON THE AGENDA MAY SPEAK TO THE COUNCIL FOR A MAXIMUM OF THREE (3) MINUTES. NO FORMAL ACTION CAN BE TAKEN ON THESE ITEMS AT THIS MEETING.

Visitors present were only concerned with an Agenda item.

3) DISCUSSION AND POSSIBLE ACTION REGARDING THE CONSENT AGENDA: (ALL CONSENT AGENDA ITEMS ARE CONSIDERED ROUTINE BY CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS COUNCILMEMBER REQUESTS AN ITEM BE REMOVED AND CONSIDERED SEPARATELY.)

RESOLUTION 2018-51: Minutes from the Special City Council meeting July 3, 2018

RESOLUTION 2018-52: Minutes from the Regular City Council meeting July 10, 2018

ORDINANCE 2018-05: Third and final reading of Ordinance Number 2018-05 adopting a Water Conservation Plan for the City of Gatesville

RESOLUTION 2018-53: Order of Election to be placed on the November 6, 2018 General Election Ballot

Motion by Ronnie Viss, seconded by Jack Doyle; all six in favor, motion passed to approve consent agenda items: Resolution 2018-51, Resolution 2018-52, Resolution 2018-53, and third and final reading of Ordinance 2018-05.

City Manager Parry reminded the Councilmembers that the Order of Election needs to be signed by each member immediately following the meeting.

4) DISCUSSION AND POSSIBLE ACTION TO WITHDRAW THE AWARD FOR THE SOLAR

ARRAY PANEL SYSTEM PROJECT AT THE LEON WASTEWATER TREATMENT PLANT;  
REJECT ALL BIDS; AND DIRECT KSA ENGINEERING TO MODIFY THE PROJECT  
SPECIFICATIONS TO REFLECT BEST VALUE

City Manager Parry said that there would be three (3) actions to discuss: Withdrawal of the award for the solar array project that was awarded to Solar CenTex LLC at the last meeting; reject all bids and direct KSA Engineering to modify the project specifications to reflect the best value.

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Parry said that there was a total of four (4) bidders on this project. Of the four bidders, one did not meet technical specifications and was missing central parts of their application and the other two (2) were well above the available funding range of the project. One of the three (3) non-selected bidders has indicated the possibility they will file a formal protest with the Texas Department of Agriculture over the award, citing that the selection was not based on the published “technical requirements” in the bid packet. The technical specifications stipulated “the photovoltaic system *shall* produce 170 kw (nominal) and the number of panels and/or the rating of the individual panels may differ from the layout basis so long as 170 kw *is provided* between all PV panels.” These are normal specifications for a fixed array. Subsequent to the pre-bid meeting on June 28<sup>th</sup>, Modification #1 was posted on the CivCast website in which the KSA project manager concurred with a request that “design modifications that produce additional kwh over threshold (170 kw) would be acceptable, i.e. the production of kwh at best value may be attained even if strict design as set forth is not implemented.”

Solar CenTex LLC proposed a PV array that would track the sun – producing 2-3 times the kwh as the other bidders and thus providing “best value” to the City. Their threshold was 158.4 kw – not 170. After discussion with the Texas Department of Agriculture and the City Attorney, while the intent of Modification #1 was clear to those who attended the optional pre-bid conference (the protestor did not attend) the technical specifications were not changed; project award must be based solely on the technical specifications as published.

Mr. Parry said that he reviewed the expected savings on this project and said the projected electricity savings should be approximately \$13,750 per year at the Leon Wastewater Treatment Plant with return on investment in less than four (4) years, which would additionally save over \$250,000 over the life of this project.

Following a brief discussion on the technical aspects of the project and the five (5) year warranty of the project, City Manager Parry recommended that since Solar CenTex LLC’s proposal did not comply with technical specifications, the City Council withdraw the award; reject all bids (as the bids from the two “qualified” firms were \$77,000 - \$115,705 above the grant amount); and direct KSA Engineering to modify the specifications to reflect criteria that are based on “best value.”

If approved, the re-bid award would tentatively be scheduled to be presented to the Council for action at the August 28th meeting.

RESOLUTION 2018-54: Motion by Meredith Rainer, seconded by Dwight Suson; all six in favor, motion passed; to approve the withdrawal of the bid award for the Solar Array Panel System Project (Solar CenTex LLC) at the Leon Wastewater Treatment Plant; reject all bids; and direct KSA Engineering to modify the project specifications to reflect best value.

5) DISCUSSION AND POSSIBLE ACTION TO SET THE DATE/TIME/PLACE FOR THE PUBLIC HEARING ON THE 2018-2019 BUDGET

City Manager Parry stated that as part of the budget process city staff is required to publish in the newspaper the date/time/place of the public hearing on the Fiscal Year 2019 budget. Staff received the finalized certified appraisal rolls and the tax worksheet today and are now prepared to go forward and finalize the proposed budget. Finalized hard copies of the budget will be ready to distribute by August 1st. A detailed budget briefing will take place at the next Council meeting on August 14, 2018 which is also the date of the recommended budget public hearing.

RESOLUTION 2018-55: Motion by Ronnie Viss, seconded by Tim Woodlock; all six in favor, motion passed; to approve the Public Hearing on the 2018-2019 Budget to be held August 14, 2018 at 5:30 p.m. in the City Council Chambers, 110 North 8th Street, Gatesville, with the notice of the Hearing to be published in the local newspaper August 1, 2018.

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- 6) DISCUSSION AND POSSIBLE ACTION TO CALL SPECIAL COUNCIL MEETINGS:  
- SEPTEMBER 4, 2018 - 2ND PUBLIC HEARING ON THE PROPOSED TAX RATE  
- SEPTEMBER 18, 2018 - 2ND READINGS OF FISCAL YEAR 2019 BUDGET ORDINANCE AND THE TAX RATE ORDINANCE

City Manager Parry reminded the Council that city staff discovered last year while in conversation with Texas Municipal League that passing a budget ordinance and tax rate ordinance is not an emergency- which is what the city had done in the past. Since the City of Gatesville charter states that ordinances must be read on three (3) several days, it is hard to complete the process by September 29th, which is the day the budget and tax rate must be approved. Because of the strict budget/ tax rate timeline it will be necessary to hold two (2) special meetings in September. The proposed meeting on September 4, 2018 would need to be scheduled to hold a second public hearing on the proposed tax rate- if it is needed. If the City Council would propose a tax rate that generates more revenue than the effective tax rate, two (2) public hearings are required. The proposed September 18, 2018 meeting would need to be scheduled for the 2nd readings of the FY 2019 Budget ordinance and Tax Rate ordinance.

Having four (4) meetings in September will allow the budget and tax rate ordinances to be approved on time with a quorum in attendance at each meeting. Several of these meetings will be very short as they will just have one item on the agenda.

RESOLUTION 2018-56: Motion by David Mitchell, seconded by Jack Doyle; all six in favor, motion passed; to approve two Special City Council Meetings in September: September 4, 2018 (2nd Public Hearing on proposed Tax Rate- if needed) and; September 18, 2018 (2nd readings of FY 2019 Budget Ordinance & Tax Rate Ordinance)

7) CITY MANAGER'S REPORT:

1. CITY MANAGER INITIATIVES:

- City of Gatesville Comprehensive Plan  
The Comprehensive Plan continues to move forward and staff anticipates a beginning draft of the plan to be started soon.

-CAPITAL PROJECTS:

- Stillhouse WWTP Expansion: The City has met all technical requirements for consideration of funding by the Texas Water Development Board (TWDB) at their August 13, 2018 meeting. The Water Conservation Plan has been approved, submitted and accepted by the TWDB. The Drought Contingency Plan that has been approved by the Council is required by the Texas Commission on Environmental Quality. Staff still needs to resolve the Texas Department of Criminal Justice portion of the debt service.
- Park Street Infrastructure Replacement: Should have a date soon to finalize the contract for replacement of the water and sewer lines and a date for the pre-construction meeting with B Corp Utilities.

Other activities/dates of note:

As of today, the Brazos River Authority has officially implemented Stage 1 of the Drought Watch conditions. Customers are asked to voluntarily achieve a 5% reduction in water usage. Educational information will be posted on the City website, available in hard copy at City Hall and posted on various social media sites.

2. BUDGET/FINANCIAL REPORT:

Reconciled financial reports for the end of June 2018 (75% through the FY) are attached. There is \$403,748 in the Reserve Fund. Water and Sewer projects that are funded for FY 2018 are:

1. Replacement of Park Street infrastructure.
2. Road Bore and new 6-inch water line on State School Road.
3. Valve replacement at the "Y" on South Highway 36.
4. Replacement of the Booster Pump 2 Ground Storage Tank.

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3. FUTURE COUNCIL MEETING AGENDA TOPICS:

Mr. Parry pointed out the budget and tax rate timeline in the upcoming meetings.

4. DEPARTMENT HEAD REPORTS:

- Building Permits- The business office with the \$1.2 million value is a new building for the TDCJ Board of Pardons and Paroles which will be built on the Hwy 36 North Bypass. Their office is currently located by the Beverage Barn on Hwy 36 South.

- 3/4 complete on the free chlorine burn and will revert to the Chloramine treatment on August 1st.

- Three (3) defective fire hydrants were replaced in June.

COUNCILMEMBER COMMENTS:

Councilmember Rainer suggested that everyone thank the over worked firefighters for all their hard work on the wildfires.

Councilmember Mitchell asked about the status of the old Leon River Bridge. Mr. Parry said it is currently in the budget to replace the boards at a cost of \$25,000. The City is at the point where a decision will need to be made on replacing the bridge or not. It is tentatively set for the August 28th meeting.

Mayor Chumley reminded everyone that is up for re-election to sign up soon if they are planning to run again.

8) MAYOR CHUMLEY ADJOURNED THE MEETING AT 6:10 P.M., THIS 24TH DAY OF JULY, 2018

ATTEST:

APPROVED:

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Wendy Cole, City Secretary

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Gary M. Chumley, Mayor