

**Regular City Council Meeting
Meeting Minutes**



Tuesday, October 27, 2020 @ 6:30 PM

**Sue Rattan Elementary School
1221 S. Ferguson Parkway, Anna, Texas 75409**

The City Council of the City of Anna met at 6:30 PM, on October 27, 2020, at Sue Rattan Elementary School, 1221 S. Ferguson Parkway to consider the following items.

1. Call to Order, Roll Call and Establishment of Quorum.

Mayor Pike called the meeting to order at 6:30 PM.

All Members were present.

2. Invocation and Pledge of Allegiance.

Deputy Mayor Pro Tem Beazley led the invocation and pledge.

3. Neighbor Comments.

Gina Ottarvio
Danny Ussery

4. Reports.

- a. Recognition of neighbors Chris Reeves and Josh Hahn. (Chief Isom)

5. Work Session. Moved to later in the meeting after .

- a. Review and Discuss Future Bond Program Development (Economic Development Manager Taylor Lough)

The City of Anna has constructed capital projects through a variety of funding means. The City Council asked staff to provide direction related to a bond program in order to fund capital projects with general obligation bonds.

Staff provided a presentation outlining the bond program development, potential projects and related financial information.

6. Consent Items.

- a. Approve City Council Meeting Minutes for October 13, 2020. (City Secretary Carrie Land)

- b. Review minutes of the September 1, 2020 Planning & Zoning Commission meeting. (Director of Development Services Ross Altobelli)
- c. Approve a Resolution authorizing the emergency purchase of equipment and labor for the repair of Well 5 in order to maintain adequate water supply for the City of Anna's public water system. (Director of Public Works Greg Peters P.E.)

On September 16, 2020, Well 5 experienced a catastrophic equipment failure during operation, requiring it to be shut down for repair. As our largest producing well, Well 5 contributes approximately 25% of the total water supply needed each day in the City of Anna. As such, it was imperative for this well to be brought back online as quickly as possible.

The City engaged THI Water Well, LLC to pull the well pumps and motors, as they have a great deal of expertise in this type of work, have the capability to provide emergency response, and are familiar with our well systems.

THI pulled the pump and motor on September 18, 2020 and found irreparable damage to both the pump and motor. City staff immediately submitted a request for the purchase and installation of replacement.

The parts were delivered on September 21, 2020 and repairs were completed on September 24, 2020. The total cost for all equipment and labor was \$92,017.53. As an emergency repair need, the City Manager was able to authorize this work immediately. Since this cost exceeds the \$50,000 threshold, staff is required to bring this item for Council approval prior to making payment.

Well 5 is back online and is under normal operation. The replacement pump and motor have an industry standard 1-year warranty.

The total cost of \$92,017.53 will be paid for out of the Public Works Department's Utility Fund line item for "Maintenance & Repair - Pumps, Wells, & Motors."

A RESOLUTION OF THE CITY OF ANNA, TEXAS AUTHORIZING THE CITY MANAGER TO MAKE PAYMENT TO THI WATER WELL, LLC FOR EMERGENCY PURCHASE OF EQUIPMENT AND LABOR FOR THE REPAIR OF WELL 5 AS SHOWN IN EXHIBIT "A" ATTACHED HERETO, IN THE AMOUNT NOT TO EXCEED NINETY TWO THOUSAND SEVENTEEN DOLLARS AND FIFTY THREE CENTS (\$92,017.53); AND PROVIDING FOR AN EFFECTIVE DATE.

- d. Approval of an application for Texas Cooperative Liquid Assets Security System program (Texas CLASS) as an investment option. (Finance Director, Alan Guard)

A city's investment goals include safety, liquidity and return on investment. In order to maximize each of these goals it is important to have a number of alternatives for investing city funds. Currently, the City of Anna uses TexPool,

our primary bank, Independent Bank and periodically, Certificates of Deposit from other local banks. In order to provide more competition and possibly increase the rate of return on our investments, staff recommends adding Texas CLASS as an alternative vehicle for the investment of city funds.

Texas CLASS is similar to TexPool and is used by many cities in Texas for the investment of public funds. Texas CLASS is allowable under the City's Investment Policy, is very safe for investments, and allows same day liquidity of funds when needed. Additional materials are available for review.

- e. An Ordinance approving the 2020 Tax Roll (City Manager Jim Proce)

The Collin County Tax Assessor - Collector recently submitted the Tax Roll summary for the City of Anna. The report is attached. Texas Property Tax Code, Section 26.09, requires the City to pass an ordinance approving the 2020 Tax Roll.

AN ORDINANCE APPROVING THE 2020 TAX ROLL FOR THE CITY OF ANNA, TEXAS

MOTION: Council Member Toten moved to approve. Council Member Vollmer seconded. Motion carried 6-0.

7. **Items For Individual Consideration.**

- a. Consider/Discuss/Action on a Resolution approving a Subdivision Improvement and Economic Development Incentive Agreement for a medical office project. (Economic Development Director Joey Grisham)

Now that the Anna Surgery Center is nearly open, the next phase of the medical campus project located on west side of US 75 is a 30,000+ square foot medical office building. This facility will house multiple medical specialists and staff including general practitioners, and employ at least 30 people. Following this project, retail/restaurant pad sites will be developed and potentially a micro hospital. This development is expected to employ over 250 people within 10 years with a net benefit to the city of approximately \$3.7 Million. A total capital investment of at least \$45 Million is expected over the first 10 years.

To help offset infrastructure costs to the developer, we are recommending the waiver of roadway, water, and wastewater fees estimated at \$174,738, and a property tax rebate of up to \$1 Million over 20 years. These incentives will help advance the project forward. The agreement includes the following requirements:

- ☐ Maintaining a minimum of 30 jobs for at least five years
- ☐ Minimum capital investment of \$8 Million
- ☐ Must commence construction on public improvements within 12 months of approval of agreement
- ☐ Commence vertical construction within 20 months of approval of agreement
- ☐ Commence operations within 36 months of approval of agreement

- ☐ Only impact fees for medical office building will be waived in this agreement-- does not include additional development area
- ☐ Annual property tax rebate includes 50% of the M&O portion of the tax on real and business personal property. I&S portion is not included.
- ☐ This item was listed as a priority in the City of Anna Strategic Plan

Waiver of impact fees estimated at \$174,738 and up to \$1 Million property tax rebate over twenty years.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS APPROVING A SUBDIVISION IMPROVEMENT AND ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH ANNA MOB PARTNERS, LLC AND ANNA INVESTMENTS, LLC.

MOTION: Council Member Miller moved to approve. Council Member Bryan seconded. Motion carried 6-0.

- b. Consider/Discuss/Action on an Ordinance amending Anna City Code of Ordinances by amending Article 9.05, Section 9.05.017 regarding Political Signs. (City Manager Jim Proce)

AN ORDINANCE OF THE CITY OF ANNA, TEXAS AMENDING THE ANNA CITY CODE OF ORDINANCES BY AMENDING ARTICLE 9.05, SECTION 9.05.017 REGARDING POLITICAL SIGNS; PROVIDING FOR AN EFFECTIVE DATE; PROVIDING FOR A PENALTY CLAUSE NOT TO EXCEED \$2,000 OR THE HIGHEST PENALTY AMOUNT ALLOWED BY LAW, WHICHEVER IS LESS; AND, PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

MOTION: Mayor Pike moved to table to January 2021. Council Member Toten seconded. Motion carried 6-0.

- c. Consider/Discuss/Act on a Resolution approving and authorizing a Merchant Processing Agreement with Heartland Payment Systems. (Director of Neighborhood Services Marc Marchand)

This Resolution authorizes the City Manager to enter into a Merchant Processing Agreement with Heartland Payment Systems.

Over the past several months, staff has been in the process of implementing SMARTGOV software for the purpose of providing online permitting. Staff is nearing the end of the implementation process and anticipates going live very soon. One of the remaining items left to complete is the merchant connector piece. A merchant is needed to connect on the back-end with SMARTGOV to provide electronic payment processing services through the system.

Staff reviewed multiple merchant processing companies and recommends Heartland Payment Systems. Heartland Payment Systems is a reputable

company, and their fees are low. There is, also, no additional charge for Dude Solutions to perform the configuration for the connection with SMARTGOV since the connection already exists due to the large number of cities that use Heartland Payment Systems.

Heartland Payment Systems' fees are based on an Interchange Plus method. The interchange is the fee that credit card companies control and the rate fluctuates based on several factors including card brand, card type, signature, rewards and transaction method. Heartland Payment Systems' average interchange rate for municipalities with similar average ticket and volume is 1.69%. This fee is charged plus Heartland Payment Systems' fee which is currently .48%.

There is a one-time fee of \$348 plus monthly fees of \$40 as well as the batch fees. All other fees including the transaction fees will be passed onto customers.

Staff anticipates needing two machines for a one-time cost of \$348 with software. The monthly fees total \$40 plus the batch and transaction fees.

The agreement is for 36 months and automatically renews for 12 months thereafter unless terminated by either party 60 days prior to the end of the term or renewal.

Approving the Merchant Processing Agreement will allow staff to complete the merchant connector piece of the SMARTGOV implementation process, finish the project and go live with the new software and online permitting portal.

A RESOLUTION OF THE CITY OF ANNA, TEXAS APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A MERCHANT PROCESSING AGREEMENT WITH HEARTLAND PAYMENT SYSTEMS.

MOTION: Council Member Toten moved to approve. Council Member Beazley seconded. Motion carried 6-0.

8. **Closed Session (Exceptions).**

Under Tex. Gov'T Code Chapter 551, The City Council May Enter Into Closed Session To Discuss Any Items Listed Or Referenced On This Agenda Under The Following Exceptions:

- a. Consult with legal counsel regarding pending or contemplated litigation and/or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code (Tex. Gov't Code §551.071). City of Anna v. Zayo Group, LLC, Henkels & McCoy, LLC, and Sadler Boring, LLC; 366th District Court, Collin County, Texas, Case No. 366-05638-2018; Bunetto EEOC Charge No. 450-2020-06836
- b. Discuss or deliberate Economic Development Negotiations: (1) To discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or

expand in or near the territory of the City of Anna and with which the City is conducting economic development negotiations; or (2) To deliberate the offer of a financial or other incentive to a business prospect described by subdivision (1). (Tex. Gov't Code §551.087).

MOTION: Council Member Beazley moved to enter closed session. Council Member Vollmer seconded. Motion carried 6-0.

Mayor Pike recessed the meeting at 7:57 PM.

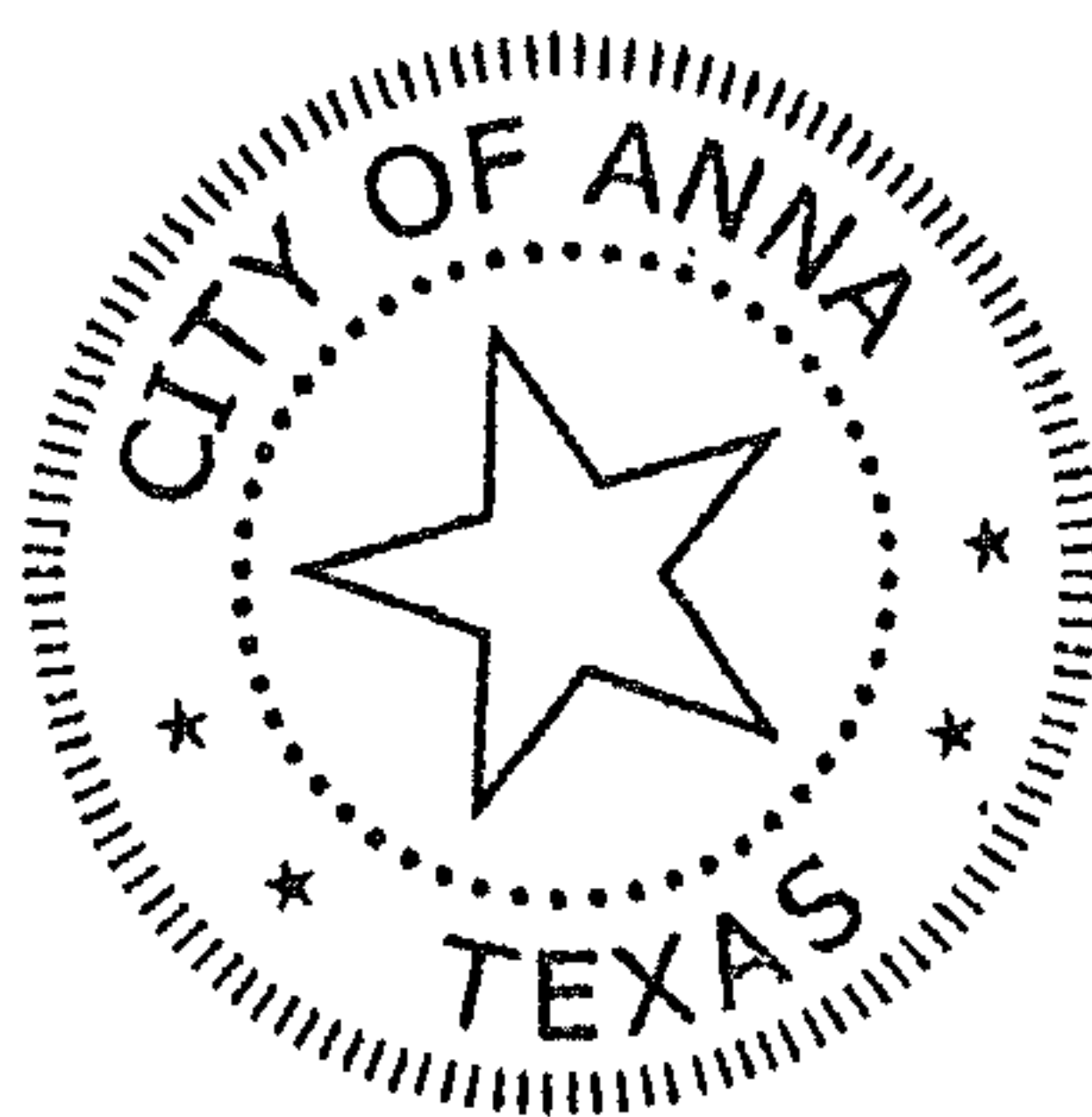
Mayor Pike reconvened the meeting at 8:37 PM.

9. Consider/Discuss/Action on any items listed on any agenda - work session, regular meeting, or closed session - that is duly posted by the City of Anna for any City Council meeting occurring on the same date as the meeting noticed in this agenda.

No action.

10. **Adjourn.**

Mayor Pike adjourned the meeting at 8:37 PM.



Approved on November 10, 2020.

Mayor Nate Pike

ATTEST:

City Secretary Carrie L. Land

CITY OF ANNA SPEAKER SIGN-IN FORM

WELCOME TO THE ANNA CITY COUNCIL MEETING!

- Those wishing to address the City Council are asked to complete this form. Please present the form and ten (10) copies of any written notes or handouts to the City Secretary prior to the Regular meeting. Groups wishing to address the same issue are encouraged to select a spokesperson.
- The Presiding Officer will ask those wishing to address the City Council to do so at the appropriate time. Please approach the speaker's stand, state your name and address for the record, and discuss the specific agenda item or topic of interest. Please direct your comments only to the Presiding Officer. *Please be courteous and refrain from language or behavior that is disorderly or disruptive to the conduct of City business.*
- Although the City Council cannot take specific action on Neighbors Comments on items not on the Regular Agenda due to legal requirements, the City Council may:
 1. Have the item placed on a future agenda for action;
 2. Refer the item to the full City Council or a subcommittee for further study;
 3. Refer the item to staff for study or conclusion.

We appreciate your interest in the community and hope you will visit again soon.

*****Please Print*****

Name: Danny Ussery Date: Oct. 27, 2020

Optional, for purpose of the City contacting speaker

Address: 1813 Sablewood Dr City/State/Zip: Anna TX 75409

Email: n5vkm@yahoo.com Phone: (903) 450-7747

☒ **NEIGHBORS COMMENTS:** This item is available for neighbors to speak on any subject including items on the agenda that are not Public Hearing items. This item is also available for neighbors to speak on any subject including items that are not included on the agenda. However, by State law, no action may be taken on a subject that is not on the agenda. The time limit is three minutes per speaker. *Note that the three-minute time limit applies to each speaker regardless of the number of items/topics the speaker may choose to discuss.*

PLEASE PROVIDE THE ITEMS/TOPIC(S) YOU WILL DISCUSS UNDER THE "NEIGHBORS COMMENT" ITEM:

Hello Mayor and City Council, I am in opposition to Item 7B on an Ordinance amending Anna City Code of Ordinances by amending Article 9.05, Section 9.05.017 regarding Political Signs. I believe this is not the right time to amend this ordinance. We are still in election time with possible runoff election. We have a lot of factors that need to

☐ **PUBLIC HEARING** Agenda Item # 7B

☐ I wish to speak IN FAVOR of this item.

☒ I wish to speak IN OPPOSITION to this item.

☐ I do not wish to speak.

Please record my ☐ SUPPORT ☒ OPPOSITION.

Additional Comments:

For Official Use:

Route To: _____

Response By: _____

City Manager or Designee: _____

Submit

December 20, 2019
Council Speaker Sign-In Sheet