

**MINUTES
CITY OF JOHNSON CITY, TEXAS
CITY COUNCIL**

The City of Johnson City City Council met for a Regular Meeting on Tuesday, July 6, 2021 at 5:00 p.m. in the City Hall Council Chamber, 303 E. Pecan Drive, Johnson City, Texas 78636. This was an open meeting, subject to the open meeting laws of the State of Texas.

Present: Rhonda Stell, Mayor
Gayla Guthrie
Teresa Babb
Shelton Coleman
Stephanie Fisher
Clayton Young

Staff Present: Rick Schroder, CAO/City Secretary
Whitney Walston, Deputy City Secretary
BJ Sultemeier, Public Works Director
Ross Allen, Chief of Police
Elizabeth Elleson, City Attorney
Anne Burger Entekin, Hilltop Securities
Richard Sirius, Greenberg Traurig
Noel Valdez, McCall, Parkhurst & Horton

Citizens Present: David O'Bannon
Andree Barnes
Bart Burkhard
Carlette Lewis
Patty Chimene
Diane Gonzales
Don Casey
Ron Fieseler
Sean McDonald
Fred Ballard
Beckie Morris
Laurie Canfield
Megan Soltesz
Rayette Bible
Loral Mofit
Bryan Heard

1. Call to order.

Mayor Stell called the meeting to order at 5:00 p.m. Carlette Lewis led the invocation followed by the Pledge.

PUBLIC HEARING (Commences at 6 p.m.):

2. **Public Hearing to give all interested persons the right to appear and be heard on a Zoning Amendment Application from Johnson City Coffee Company for a Conditional Use Permit for a Permanent Mobile Food Court located at 108 W. Main St., Johnson City, TX 78636.**

The public hearing opened at 6:00 p.m. and closed at 6:01 p.m. There were no comments.

OPEN SESSION:

3. **Citizens to be heard.**

Carlette Lewis spoke about the Independence Day Celebration. She expressed her thanks and gratitude to the City for the weekends events. Andree Barnes spoke about an issue between staff at the LBJ nursing home, a resident, and the JCPD. Make Barnes submitted written comments concerning the same issue.

REPORTS:

4. **Proclamations, Presentations, and/or Reports.**

- a) **Report – Community Resource Centers of Texas, Inc. Site Director Dawn Capra.**

Site Director Capra spoke about the Transportation Voucher Program and walked council through the process and procedures surrounding the program.

- b) **Report – Blanco-Pedernales Groundwater Conservation District General Manager & Groundwater Management Area 9 Chairman Ronald G. Fieseler, PG.**

Mr. Fieseler spoke about how the district is responsible for many things including but not limited to water quality, quantity, and permitting in Blanco Co. The region and district plan with a 50 year view. He spoke about the non-relevant status being requested because Blanco Co is the only county in Ground Water Management Area 9 that utilizes the Ellenburger Aquifer. He also said the non-relevant status was a way for the district to cut cost and that they can manage the aquifers draw down levels locally/

- c) **Report – Chief Administrative Officer / City Secretary Rick Schroder.**

CAO Schroder spoke about the new economic development site going live, and update on Host Compliance, the City Pool, receiving full requested amount of funds from CRF, an update on the American Rescue Plan, scheduled P&Z training and an upcoming vacation.

d) Report – Public Works Director Brent Sultemeier.

Public Works Director Sultemeier presented and spoke on the topics included in his report. The report was provided in the council packet.

e) Report – Police Chief Ross Allen.

Police Chief Ross Allen presented and spoke on the topics included in his report. The report was provided in the council packet.

f) Report – Court Clerk Patricia Mikla and Municipal Court Judge Tom Walston.

Municipal Court Clerk Mikla submitted a written report to council.

g) Report – Johnson City Chamber of Commerce and Visitor’s Center.

The Chamber submitted a written report to council. Patty Chimene also spoke that the Center is now open 7 days a week and they will be moving out of the building in July. They plan to be out for 6-8 months.

h) Report – Monthly Work Orders and Building Permits.

The report was included in the council packet.

CONSENT AGENDA (ITEM NOS. 5 - 10):

5. **Approval of the minutes of the Regular and Special Meetings of the City Council dated June 1st and 28th, 2021, respectively. (Staff)**
6. **Approval of the Fiscal Year Ending (FYE) 2021 Revenue and Expenditure, Check Register, and Posted Transaction Reports dated June 30, 2021. (Staff)**
7. **Approval of the Quarterly Investment Report for the calendar quarter ending June 30, 2021. (Staff)**
8. **Ratification of a General Fund Budget Amendment increasing revenues and expenditures by \$215,864.00 in the following manner:**

Revenue / Expense	Line Item	Original Amended Budget	Proposed Amended Budget
Revenue	01-001-4001 <i>Property Taxes</i>	\$537,881	\$606,948
Revenue	01-002-4101 <i>Sales & Use Tax</i>	\$445,000	\$544,998
Revenue	01-005-4601	\$35,000	\$61,412

	<i>Building Permits</i>		
Revenue	01-007-4104 <i>Solid Waste Collection</i>	\$256,900	\$277,287
Expenditure	01-020-6327 <i>Audit</i>	\$35,500	\$67,620
Expenditure	01-020-6328 <i>Legal Services</i>	\$52,500	\$87,058
Expenditure	01-020-6330 <i>Insurances</i>	\$25,500	\$39,910
Expenditure	01-030-6205 <i>Service Contracts</i>	\$15,000	\$27,863
Expenditure	01-050-6712 <i>COVID-19</i>	\$0.00	\$76,361
Expenditure	01-060-6205 <i>Service Contracts</i>	\$18,700	\$29,200
Expenditure	01-060-6331 <i>Electricity</i>	\$70,000	\$105,052

Item 8 above was pulled for individual consideration. Councilmember Coleman had a question about what department 030 was. CAO answered that it was municipal court and that the Judge and Prosecutor salaries are being paid out of the service contract line item. Councilmember Coleman made a motion to ratify the General Fund Budget amendment. Councilmember Babb seconded the motion. All were in favor and the motion passed.

9. **Ratification of the Chief Administrative Officer’s execution of the Engagement Letter dated June 3, 2021 from Atchley & Associates, LLP for the audit of City financial statements for fiscal years ending September 30, 2020 through 2024. (Staff)**
10. **Approval of the FYE 2022 Budget Calendar for the City of Johnson City, Texas. (Staff)**

Councilmember Coleman made a motion to approve the Consent Agenda. Councilmember Guthrie seconded the motion. All were in favor and the Consent Agenda was approved.

ITEMS FOR INDIVIDUAL CONSIDERATION:

11. **Discussion of and action on a Zoning Amendment Application from Johnson City Coffee Company for a Conditional Use Permit for a Permanent Mobile Food Court located at 108 W. Main St., Johnson City, TX 78636. (Applicant)**

The council asked if the Pecan Street entrance/exit would continue to be used. The Coffee Shop said yes. They also spoke about how there would be no permanent structures in the flood plain. Councilmember Guthrie made the motion to approve the zoning amendment application. Councilmember Young seconded the motion. All were in favor and the application was approved.

12. **Presentation by Sean McDonald and Fred Ballard of, respectively, Vanguard National Builder Group and Blue Horse Building + Design and discussion of and action on a request**

for a variance from Municipal Code of Ordinances Chapter 3 *Building Regulations*, Article 3.02 *Technical and Construction Codes and Standards* allowing for the use of the Federal Housing and Urban Development Code in lieu of the International Residential Code for One- and Two-Family Dwellings, 2015 ed., for the development of a 91.55 acre single-family residential subdivision located at 217 281 Loop, Johnson City, TX 78636, more particularly described as BCAD ID No. 8609 or ABS A0147 Survey 172 J. Duel, Acres 91.55. (Applicant)

Builder Sean McDonald and Fred Ballad presented the building plans for the 91.55-acre subdivision. The said their goal is to pass on savings to the end consumer by using cross-mod housing. Skyline Champion would be manufacturing the homes and they would follow HUD code. The request for the variance is due to the IRC code requiring the removal of the metal frame whereas HUD code does not. The builders said the goal of the subdivision would be to keep the prices under 400k. Council had many questions including with the 20-year view of the homes were, would they age well and appreciate in value. Would they have a warranty, sheetrock, and bracing? The builder said that stick-built homes would be used as comparable when the homes were sold or appraised. Councilmember Coleman made a motion to table the item. Councilmember Fisher seconded the motion. All were in favor and the item was tabled.

13. Presentation by Patty Chimene, Chair of Lights Spectacular 2021, and discussion of and action on the following:

- **Approval of the Lights Spectacular 2021 event dated 11/26/2021 – 1/2/2022, including, but not limited to, the use of City streets and facilities, a parade, a public fireworks display, alcoholic beverage sales, retail and food vendor booths, and associated street closures, all to be incorporated into a comprehensive Special Event / Parade Permit Application and other supplementary applications and submitted for review and approval to the Mayor and City Staff; and**
- **Contingent upon City Council’s approval of the FYE 2022 Municipal Budget(s) and the inclusion of sufficient outside agency / hotel occupancy tax funding in the same, the approval of a donation amount not to exceed \$15,000.00 to Lights Spectacular Hill Country Style, Inc. The 2021 Lights Spectacular Outside Agency Funding Application shall be reviewed and approved by the City Council following its adoption of the FYE 2022 Municipal Budget(s). (Applicant)**

Patty Chimene presented the Lights Spectacular special event permit and budget for 2021. Councilmember Young made the motion to approve the item as presented. Councilmember Guthrie seconded the motion. All were in favor and the item was approved.

14. Discussion of and action on a Resolution of the City Council of the City of Johnson City approving and authorizing (i) the execution and delivery of *Notice of Cessation of the City of the City of Johnson City’s Use of Property as a Recycling Facility and of Closure of the Facility and of Termination of Lease Agreements between the City of*

Johnson City and the North Blanco County Emergency Medical Service, and (ii) execution of the Agreement of Amendment to and Termination of Lease Agreements between the City and the North Blanco County Emergency Medical Service. (Staff)

Councilmember Coleman asked about the amount of the CAPCOG buyout. CAO said it would be 28k and included in the 21/22 FY budge. The Cities contracted auction company would be used to remove the equipment left at the center. Councilmember Babb asked if the money generated from the auction would be used towards the payoff. CAO says yes, but the full amount would still be included in the budget. Councilmember Young made a motion to approve the Resolution. Councilmember Coleman seconded the motion. All were in favor and the motion passed.

15. **Discussion of and action on a Resolution of the City Council of the City of Johnson City approving the *Memorandum of Understanding between the City and the North Blanco County Emergency Service District No. 1* regarding the FY 2021-22 Community Development Block Grant. (Staff)**

There was no discussion on this item. Councilmember Young made a motion to approve the MOU. Councilmember Coleman seconded the motion. All were in favor and the Resolution was approved.

16. **Discussion of and direction on a request by the City of Johnson City requesting that the Texas Department of Transportation (TxDOT) implement a dedicated center turn lane on U.S. Hwy. 290 from its intersection with U.S. Hwy. 281 to its intersection with Avenue J. (Staff)**

After limited discussion, the council directed the CAO to put the resolution on the next agenda. Councilmember Guthrie made a motion to table the item. Councilmember Fisher seconded the motion. All were in favor and the item was tabled.

Adjourn into Closed Session.

CLOSED SESSION:

17. **The City Council will convene into Closed Session in accordance with Government Code:**
- **§551.071 *Consultation with Attorney* to receive legal advice regarding payroll liabilities owed to the Internal Revenue Service.**
 - **§551.071 *Consultation with Attorney* to receive legal advice regarding the issuance of debt securities for payroll liabilities owed to the Internal Revenue Service.**
 - **§551.071 *Consultation with Attorney* to receive legal advice regarding an Ordinance by the City Council of the City of Johnson City, Texas authorizing the issuance, sale, and delivery of City of Johnson City, Texas General Obligation Refunding Bonds, Taxable Series 2021; approving and authorizing**

a purchase and investment letter and a paying agent / registrar agreement; approving and authorizing all other instruments and procedures related thereto; delegating to certain City Officials to approve all final terms of the bonds; and ordaining other matters relating to the subject.

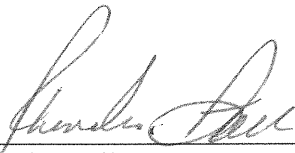
The council adjourned into closed session at 8:08 p.m. and convened at 8:45 p.m.

Adjourn into Open Session.

18. **Discussion of and action on matters discussed in Closed Session, including, but not limited to, an Ordinance by the City Council of the City of Johnson City, Texas authorizing the issuance, sale, and delivery of City of Johnson City, Texas General Obligation Refunding Bonds, Taxable Series 2021; approving and authorizing a purchase and investment letter and a paying agent / registrar agreement; approving and authorizing all other instruments and procedures related thereto; delegating to certain City Officials to approve all final terms of the bonds; and ordaining other matters relating to the subject. (City Council)**

Councilmember Guthrie made a motion to approve the ordinance. Councilmember Fisher seconded the motion. All were in favor and the ordinance was approved.

With no further business before council, the meeting was adjourned at 8:47 p.m.



Rhonda Stell, Mayor

ATTEST:



Whitney Walston, Deputy City Secretary