



**City of Lucas**  
**City Council Meeting/Budget Workshop**  
**September 3, 2020**  
**Video Conference Meeting**  
**7:05 P.M.**

*(or immediately following the Lucas Fire Control, Prevention and EMS District Meeting)*  
**City Hall, 665 Country Club Road, Lucas, Texas**

**MINUTES**

**Call to Order**

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**City Councilmembers Present:**

Mayor Jim Olk  
Mayor Pro Tem Kathleen Peele  
Councilmember Wayne Millsap  
Councilmember Tim Baney  
Councilmember Steve Duke  
Councilmember Philip Lawrence  
Councilmember Debbie Fisher

**City Staff Present:**

City Manager Joni Clarke  
City Secretary Stacy Henderson  
City Attorney Joe Gorfida  
City Engineer Stanton Foerster  
Finance Director Liz Exum

This meeting was conducted by video conference.

Mayor Olk called the meeting to order at 7:03 p.m., determined that a quorum was present, and the Pledge of Allegiance was recited.

**Citizen Input**

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**1. Citizen Input**

The following citizens spoke during Citizen Input:

Neal Polan, Lucas resident, spoke regarding the broadband item on the ballot in November. He discussed the validity of the feasibility study, potential income from Lovejoy ISD as a proposed anchor participant, and asked that Magellan Advisors be allowed to conduct several other model scenario options with different percentage rates.

Paul Rathgeb, Lucas resident, discussed the need for a standing item on the agenda to receive updates from staff regarding communication efforts.

Mayor Olk read emails from Lucas residents, Paul Rathgeb and Renee Sims, asking that the outcome of the GCEC meeting be placed on the next City Council agenda. Mayor Olk stated that GCEC meeting notes had been placed on the City's website and communication efforts from staff were actively being worked on.

## Community Interest

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### 2. Community Interest

Mayor Olk noted that the following items of Community Interest:

- Farmers Market would be in operation on September 12 from 8 am to Noon.
- Public Lands Trails Cleanup event is scheduled for September 26 at Brockdale Park Trailhead.
- City offices closed September 7 for the Labor Day holiday.
- City of Lucas placed 2<sup>nd</sup> in the Keep Texas Beautiful Governor's Community Achievement Award for overall efforts in the KTB program.
- Current cases in Lucas related to COVID-19

### Executive Session Agenda

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3. **Per Section 551.071 of the Texas Government Code the City Council will convene into Executive Session for the purposes of seeking legal advice from the City Attorney regarding Agenda Item No. 8, terminating the Construction Agreement between the City and McMahon Contracting, LP for Winningkoff Road Phase 2 and awarding a construction agreement to the next lowest bidder, Camino Construction LP.**

The City Council convened into Executive Session at 7:16 pm.

4. **Reconvene from Executive Session.**

The City Council reconvened from Executive Session at 7:49 pm. There was no action taken as a result of the Executive Session.

The City Council moved to Agenda Item No. 8 at this time.

8. **Consider terminating the Construction Agreement between the City and McMahon Contracting, LP regarding Bid #017-19 for Winningkoff Road Phase 2 and awarding a construction agreement to the next lowest bidder, Camino Construction LP regarding Bid #017-19 for Winningkoff Road Phase 2, authorize the City Manager to execute such Agreement and appropriate \$331,885.00 to line item 21-8210-491-127 from unrestricted general fund reserves.**

Ms. Fisher noted that the funds needed to appropriate for this project was \$225,970 not \$331,885 but asked why the funds were coming from the general fund reserves. Councilmember Fisher also expressed her concern regarding construction of another large project at this time.

City Manager Joni Clarke stated that funding for this project consisted of Certificates of Obligation and general fund reserves.

**MOTION:** A motion was made Councilmember Millsap, seconded by Councilmember Baney to terminate the Construction Agreement between the City and McMahon Contracting, LP regarding Bid #017-19 for Winningkoff Road Phase 2 and awarding a construction agreement to the next lowest bidder, Camino Construction LP regarding Bid #017-19 for Winningkoff Road Phase 2, authorize the City Manager to execute such Agreement and appropriate \$225,970 to line item 21-8210-491-127 from unrestricted general fund reserves. The motion passed unanimously by a 7 to 0 vote.

The City Council moved to Agenda Item No. 5 at this time.

## **Consent Agenda**

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### **5. Consent Agenda:**

- A. Approval of the minutes of the August 6, 2020 City Council Meeting.
- B. Approval of the minutes of the August 20, 2020 City Council meeting.
- C. Consider approving R-2020-09-00504 City of Lucas Investment Policy.

Councilmember Millsap asked that Item 5A be removed from the Consent Agenda.

**MOTION:** A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Duke to approve Agenda Items B and C on the Consent Agenda. The motion passed unanimously by a 7 to 0 vote.

### **5A. Approval of the minutes of the August 6, 2020 City Council Meeting.**

Councilmember Millsap noted that the motion for Agenda Item No. 4, the 5<sup>th</sup> bullet point references permeable pavers, which should be included as part of the 6<sup>th</sup> bullet point that reads as follows:

- Provide six-foot iron fencing and Knox box on the portion of the connection from the Inspiration property line to Brockdale Park Road, and emergency access from Brockdale Park Road to Inspiration shall be made of permeable pavers.

**MOTION:** A motion was made by Councilmember Millsap, seconded by Councilmember Baney to approve Agenda Item 5A as amended. The motion passed unanimously by a 7 to 0 vote.

## **Public Hearing Agenda**

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### **6. Public hearing to consider the budget for Fiscal Year 2020-2021.**

Mayor Olk opened the public hearing at 7:58 pm, there being no one wishing to speak, the public hearing was closed.

There was no action on this item, it was for discussion purposes only.

**7. Public hearing to consider the tax rate for Fiscal Year 2020-2021.**

Mayor Olk opened the public hearing at 7:59 pm, there being no one wishing to speak, the public hearing was closed.

There was no action on this item, it was for discussion purposes only.

**Regular Agenda**

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**9. Consider adopting Ordinance 2020-09-00921 approving the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021.**

**MOTION:** A motion was made by Councilmember Baney, seconded by Councilmember Lawrence to adopt Ordinance 2020-09-00921 approving the budget for fiscal year beginning October 1, 2020 and ending September 30, 2021. The motion passed unanimously by a 7 to 0 vote. The following roll call vote was taken:

Councilmember Lawrence:	Yes
Councilmember Millsap:	Yes
Councilmember Fisher:	Yes
Councilmember Duke:	Yes
Councilmember Baney:	Yes
Mayor Pro Tem Peele:	Yes
Mayor Olk:	Yes

**10. Consider adopting Ordinance 2020-09-00922 of the City of Lucas, Texas, levying Ad Valorem Taxes for the Tax Year 2020 (Fiscal Year 2020-2021) at a rate of \$0.299795 per one hundred (\$100) assessed valuation on all taxable property within the corporate limits of the City of Lucas as of January 1, 2020.**

Mayor Olk noted that the tax rate being proposed was \$0.299795, which was the voter approval tax rate.

**MOTION:** A motion was made by Councilmember Fisher, seconded by Mayor Pro Tem Peele, to adopt Ordinance 2020-09-00922 of the City of Lucas, Texas, levying Ad Valorem Taxes for the Tax Year 2020 (Fiscal Year 2020-2021) at a rate of \$0.299795 per one hundred (\$100) assessed valuation on all taxable property within the corporate limits of the City of Lucas as of January 1, 2020. The motion passed unanimously by a 7 to 0 vote. The following roll call vote was taken:

Councilmember Lawrence:	Yes
Councilmember Millsap:	Yes
Councilmember Fisher:	Yes
Councilmember Duke:	Yes
Councilmember Baney:	Yes
Mayor Pro Tem Peele:	Yes
Mayor Olk:	Yes

11. **Consider authorizing City staff and SAMCO, the City's financial advisor, to proceed with refunding the City's outstanding General Obligation Refunding Bonds, Series 2007 and Certificates of Obligation, Series 2011 so long as certain savings thresholds can be achieved.**

Mark McLiney, SAMCO Financial, spoke regarding restructuring some of the City's general obligation and certificates of obligation debt in both the general fund and utility fund explaining that refunding outstanding general obligation refunding bonds, series 2007 and Certificates of obligation, series 2011 would generate approximately \$521,886 in future savings.

Mr. McLiney discussed with the Council refunding existing debt for lower interest rates without extending debt and creating savings. Mr. McLiney reviewed the debt service and projected annual savings.

Councilmember Fisher asked why the City wouldn't pay off debt using reserves rather than refunding debt.

Councilmember Millsap discussed the funds currently in reserves that could be used to pay off debt rather than having large amounts of reserve while the City's carries debt.

The Council discussed the water tower project that needed additional funding from reserves along with various roadway projects that would also need funding from reserves.

The Council was in agreement that they would like to see the Capital Improvement Plan outlining projects, estimated costs, and projected started dates before any decisions regarding refunding were made.

No action was taken, this item will be placed on the September 17, 2020 City Council agenda.

12. **Consider casting votes on the ballot for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees, Places 1 through 4 election.**

**MOTION:** A motion was made by Mayor Olk, seconded by Councilmember Baney, to cast votes for the following individuals for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees, Places 1 through 4 election. The motion passed unanimously by a 7 to 0 vote.

Place 1:	Robert Herrera
Place 2:	John Fullen
Place 3:	Jeffrey Snyder
Place 4:	Robert Hauck

## **Adjournment**

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13. **Adjournment.**

**MOTION:** A motion was made by Councilmember Millsap, seconded by Mayor Olk to adjourn the meeting at 8:37 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

  
Stacy Henderson, City Secretary

ATTEST:

  
Jim Olk, Mayor

