

CITY COUNCIL REGULAR MEETING MINUTES

September 12, 2023

BE IT REMEMBERED THAT the City Council of the City of Leonard, Fannin County, Texas, held a Regular Meeting in the Council Chambers of City Hall at 111 W Collin Street, Leonard, Texas, on September 12, 2023, at 6:30 P.M.

The meeting was broadcast live on the city's Facebook page. A video recording of the meeting is available to members of the public at <https://www.facebook.com/CityofLeonard>.

Members Present: Mayor Michael Pye, Mayor Pro Tem Noel Nixon, Councilmembers Al Stephens, Billy Wayne Martin, Leonard Phillips, and Peyton Webster.

Staff present: City Administrator George Evanko, Police Chief Brian Meserole, City Secretary Melissa Verde, Public Works Director Woody Patrick, and Utility Billing Clerk Kim Davis.

Registered Guests: Donald Carter, Mike Ward, Sue Carter, Darrell Grintz, Leston Dhane, Bo Damesworth, Brad Maxwell, Carl Harris, Kayla Mullins, Whitney Shaw, and Betsy Blevins.

1. Call Meeting to Order, Verification of Quorum

Mayor Michael Pye called the meeting to order at 6:30 P.M. upon determining a quorum was present.

2. Invocation, Pledges of Allegiance to the United States and Texas Flags

Following the invocation led by Public Works Director, Woody Patrick, the audience recited the U.S. and Texas Pledges of Allegiance. Mayor Pye welcomed all visitors.

3. Consent Agenda

Mayor Pye called for the consent agenda. Council unanimously approved the motion by Mayor Pro Tem Nixon, seconded by Councilmember Peyton Webster, to approve the consent agenda:

- a. City Council regular meeting minutes from August 8, 2023
- b. City Council special budget meeting minutes from August 24, 2023
- c. City Council special budget meeting minutes from August 29, 2023
- d. City Council special budget meeting minutes from September 5, 2023

4. Department Reports

Mayor Pye called for the department reports.

- a. Police Chief Brian Meserole presented the police department report, mentioning that they are fully staffed and waiting on the last piece of camera equipment from Motorola to complete the

installations on the new squad car that week.

- b. Public Works Director Woody Patrick presented the department report and spoke of having a productive month.
 - c. Mayor Pye called for the administrative report.
 - i. City Administrator George Evanko presented the report, mentioning that the City would gradually build back up the street sales tax fund.
 - ii. The city received the first outlay for the TWDB sewer expenses reimbursement, to be applied to the engineering fees in the Utility Fund.
 - iii. The emergency communications repeater parts are all in, and the cabinet is installed. The city would invoice the other local participating taxing entities for their share of the project.
 - iv. Interlocal agreement has been approved by Fannin County, to be executed and returned to the city.
 - v. Regarding the new school, preconstruction meetings included trying to find a good route for the sewer line.
 - vi. The city has been working with Leonard Crossing development on the infrastructure, including some box culverts that did not pass inspection and need to be re-poured.
 - vii. CDBG grant contracts have been signed, and we may have to rebid the project to be able to use all the grant funds. TWDB-Sewer project is fully funded, and engineering is underway. City Engineer David Perkins is working on an HMA grant request for information regarding the lift station projects. We had to file an extension to return the information. TWDB-Water project- we have received the funding letter, scheduled to be funded in January, with a portion of principal forgiveness, and a portion of the loan at a low-interest rate. The project would be dedicated to a new water tower, upgrading water lines in town, and adding stability to the system. The ground storage tank project is currently with engineering. ARPA grant project for generators is on the agenda.
 - d. Mayor Pye called for the financial report.
 - i. City Secretary Melissa Verde covered the financial reports as of September 12. The previous month's progress was mostly dedicated to closing up the financial audit for fiscal year 2022, as well as reconciling the current year, and several budget workshops for fiscal year 2024. The General Fund revenues are at 106%, overages in expenses included attorney fees, park maintenance for the Kiwanis Park lights, which received contributions from the LCDC, and building inspection fees increased, as did the corresponding revenues. The library had some maintenance that put it over budget. Street maintenance continues, paid from the operating budget and from the Sales Tax Street Maintenance fund. Utility Fund incomes still to be received include September bills. Expenses overages included repairs and maintenance to the public works vehicles. The utility fund is currently over budget.
5. Mayor Pye called for an open forum. No one came forward to make any public comments.
6. Discussion and possible action on the Auditor's Report of Financial Statements for the Fiscal Year ending September 30, 2022. (Mike Ward, CPA)

- a. Mayor Pye called for the audit report from Mike Ward. Mr. Ward commented that the progress from last year has been “amazing,” that the financials are being reconciled, and that it is getting easier to see the financial position. He delivered copies of a preliminary audit report and mentioned that there was an issue with the accounts payable balance resulting from a sizeable debit balance, suspicion was that the conversion didn’t pull over all the A/P information and that the City should order a little more forensic reconciling to get rid of the prior period adjustment differential recorded in the preliminary audit report.
 - i. Councilmember Al Stephens made a motion to table the audit report until the accounts payable issue is resolved. After a second by Councilmember Peyton Webster, the council unanimously agreed to table the item.
- 7. Discussion and possible action on event permit application #2023-112 for the Leonard Chamber Halloween on the Square. (Whitney Shaw)
 - a. Mayor Pye called for the presentation on the Chamber of Commerce event permit application.
 - b. Presentation: On behalf of the Leonard Chamber of Commerce, Whitney Shaw presented the event permit request for the Leonard Chamber Halloween on the Square.
 - i. After some discussion about how to handle the road closures, and upon a motion from Mayor Pro Tem Nixon to approve the event permit, with the time from 4:30 PM to 8:30 PM, and waiving the permit fee, seconded by Councilmember Leonard Phillips, the council approved the motion.
- 8. Discussion and possible action on event permit application #2023-128 for the First United Bank “Blessing of the Animals” joint event with First Methodist Church. (Tammie Summers)
 - a. Mayor Pye called for the presentation on the Blessing of the Animals event permit.
 - b. Presentation: Tammie Summers presented on behalf of First United Bank, in conjunction with First Methodist Church,
 - i. Upon a motion by Mayor Pro Tem Nixon to approve the event application #2023-128 to hold an event on Saturday morning, October 21st, from 9 AM to 12 PM, at the City Park, and waiving the permit and rental fees, seconded by Councilmember Billy Wayne Martin, the motion was approved.
- 9. Discussion and possible action on the relocation of a water meter at 301 W. Cottonwood St. (Peggy Damesworth)
 - a. Mayor Pye called for the presentation by Mrs. Damesworth regarding a water line.
 - b. Presentation: Mrs. Peggy Damesworth explained that her water meter monthly charge is going from \$20 to \$160 per month for a two-inch water line running the length of approximately a quarter-mile on her property on Cottonwood Street.
 - c. Background: She presented the history of a previous compromise between the City of Leonard, granting them a two-inch water meter thirty years ago when the city ran the new water line and asked to move the water meter if Damesworth’s would dig the line.
 - d. Request: She presented the position that the city increasing the monthly water fees for a 2” water

meter, versus the ¾” base rate it was historically charged, was a violation of that agreement; and requested to keep her 2” meter at the lower base rate. City Administrator George Evanko commented that the increased rates approved for the two-inch meters are due to the fact that they move a larger volume of water, and the meter rate charged is for access to the water supply at a higher volume.

- i. After some discussion with the council about possible fire truck connections and the incidence of water leaks and loss, no action was taken.
10. Conduct a public hearing on voluntary annexation of Fannin CAD Property IDs 132898 and 138136: annexing the territory located at CR 4720 and HWY 69, being approximate 20-acre and 0.857-acre tracts of land situated in the M Moore Survey Abstract A0778, Fannin County, TX.
 - a. Open hearing: Councilmember Peyton Webster moved to open a public hearing regarding the voluntary annexation of Property ID’s 132898 and 138136, and seconded by Councilmember Al Stephens, the public hearing was opened at 7:49 PM.
 - b. Close hearing: After no one came forward with public comments, Councilmember Peyton Webster moved to close the public hearing, seconded by Councilmember Al Stephens, the hearing was closed at 7:50 PM.
11. Presentation, discussion, and possible action on **Ordinance 230912-1** regarding Fannin CAD Property IDs 132898 and 138136: annexing the territory located at CR 4720 and HWY 69, being approximate 20-acre and 0.857-acre tracts of land situated in the M Moore Survey Abstract A0778, Fannin County, TX.
 - a. Mayor Pye called for the presentation of the voluntary annexation for the new school.
 - b. Presentation: Brad Maxwell addressed the council on the Leonard ISD’s intention to annex approximately 20 acres east of CR 4720, with the 0.857 acres onto US-69, to build 72,000-73,000 square foot elementary school, with the smaller lot serving as the ingress/egress.
 - i. After some discussion about the sewer line possibilities and possible easements needed for the 8” sewer line needed; the council unanimously approved a motion from Councilmember Al Stephens to adopt Ordinance 230912-1, seconded by Councilmember Billy Wayne Martin.
12. Conduct a Public Hearing regarding Fannin CAD Property IDs 132898 and 138136: amending the zoning ordinance and map to establish the initial zone as C-1 “Commercial District,” and that the property will be used in accordance with the requirements of the zoning ordinance.
 - a. Open hearing: Council unanimously approved a motion by Councilmember Peyton Webster to open the public hearing, seconded by Councilmember Al Stephens, the public hearing was opened at 7:54 PM.
 - b. Presentation: City Administrator George Evanko explained that the school is requesting commercial “C-1” zoning classification for the public school.
 - c. Close hearing: After no one came forward to make any public comments, Councilmember Webster moved to close the public hearing, seconded by Councilmember Al Stephens, the council approved the motion to close the hearing at 7:55 PM.
13. Presentation, discussion, and possible action on **Ordinance 230912-2** regarding Fannin CAD Property IDs 132898 and 138136: amending zoning ordinance and map to establish the initial zone as C-1

“Commercial District,” and that the property will be used in accordance with the requirements of the zoning ordinance.

- a. Council unanimously approved a motion by Mayor Pro Tem Nixon, seconded by Councilmember Peyton Webster, to adopt Ordinance 230912-2 and amend the zoning ordinance and map to reflect the new classification of “C-1” commercial zoning for the new public school.
14. Conduct a Public Hearing regarding Fannin CAD Property IDs 90204, 90205, and 99798, located at E Locust and 404 S Parmele, being an approximate 1.00-acre tract of land situated in the Original Town Plat of Leonard, Fannin County, TX; changing the zoning classification from MH-1 “Manufactured Home District” to TF “Two Family Residential” (Duplex) District; amending zoning ordinance and map.
 - a. Open hearing: Mayor Pro Tem Nixon moved to open the public hearing, seconded by Councilmember Martin, and the council opened the public hearing at 7:56 PM.
 - b. Close hearing: There being no public comments, the council unanimously approved a motion by Councilmember Webster, seconded by Mayor Pro Tem Nixon, to close the public hearing at 7:57 PM.
15. Presentation, discussion, and possible action on **Ordinance 230912-3** regarding Fannin CAD Property IDs 90204, 90205, and 99798: amending zoning ordinance and map changing the zoning classification from MH-1 Manufactured Home District to TF Two Family Residential (Duplex) District.
 - a. Council unanimously approved a motion from Councilmember Peyton Webster, seconded by Mayor Pro Tem Nixon, to approve Ordinance 230912-3 amending the zoning ordinance and map to reflect the new classification of “TF” for property ID’s 90204, 90205, and 99798.
16. Presentation, discussion, and possible action on **Resolution 230912-4** amending the personnel manual, specifically section 17.00 “Benefits”.
 - a. Council unanimously approved a motion from Councilmember Al Stephens, seconded by Councilmember Billy Wayne Martin, to approve Resolution 230912-4 amending the personnel manual.
17. Conduct a public hearing regarding the fiscal year budget 2023-2024, raising the total property tax revenue.
 - a. Open hearing: The mayor opened the public budget hearing at 8:07 PM, upon a motion from Councilmember Webster, seconded by Councilmember Stephens.
 - b. Close hearing: The council voted unanimously to close it at 8:08 PM, after a motion from Councilmember Martin, seconded by Councilmember Webster after no one came forward to make public comment on the new fiscal year budget.
18. Presentation, discussion, and action on **Ordinance 230912-5** adopting the annual budget for the fiscal year 2023-2024.
 - a. The council unanimously approved a motion from Councilmember Al Stephens, seconded by Councilmember Martin, to approve Ordinance 230912-5 adopting the new fiscal year budget.
19. Discussion and possible action approving **Resolution 230912-6** authorizing the expenditure of grant funds from the American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds (ARP Act, 2021)

administered by the Texas Department of Emergency Management (TDEM), for the purpose of acquiring emergency generators for the cemetery and Jackson Street lift stations.

- a. After discussion, the council unanimously approved a motion from Councilmember Al Stephens to approve Resolution 230912-6 authorizing the ARPA program expenditures, as long as there are adequate dedicated funds to do so, seconded by Councilmember Peyton Webster.
20. Discussion and possible action approving **Resolution 230912-7** authorizing the issuance of requests for proposals (RFP) for administrative and plan development services for the Community Development Block Grant - Mitigation (CDBG-MIT) grant programs administered by the Texas General Land Office (GLO), for the purpose of updating the city's comprehensive plan.
 - a. Council unanimously approved the motion by Councilmember Peyton Webster, seconded by Councilmember Billy Wayne Martin, to approve Resolution 230912-7, authorizing the issuance of RFP under the CDBG-MIT grant program.
21. There being no announcements, Councilmember Peyton Webster moved to adjourn the meeting. After a second by Mayor Pro Tem Nixon, the meeting adjourned at 8:48 PM.

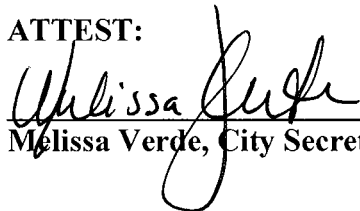
CITY OF LEONARD, TEXAS

APPROVED:



Mayor Michael Pye

ATTEST:



Melissa Verde, City Secretary