

January 15, 2019

A G E N D A

1. Call Meeting To Order
2. Prayer
3. Pledge To The Flags
4. Welcome Guest
5. Citizen Presentations: At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting. Please limit to two minutes each.
6. Approval Of Minutes of Previous Meeting(s)
7. Discussion and Action If Any To Approve Fiscal Year 2018 Audit
8. Update On Police Department Activity
9. Judge Loretta Biggers – Update On Municipal Court Activity
10. Tracy Cox - Update On Main Street Program
11. Update From City Manager John Camp
12. Discussion and Action If Any To Appoint Mayor Pro Tem For The Current Cycle
13. Discussion and Action If Any To Approve Purchase Of An 8x80 Strip On Block13 Immediately South of Lot 84 For Exchange For \$700 And Irrevocable Access To The Stripling Building Via The City Alley
14. Discussion Of Replacing The Pumps At The Water Plant Clear Well
15. Discussion and Action If Any To Approve Agreement With ACI Automation, LLC
16. Discussion and Action If Any To Approve Financing of John Deere 310L Backhoe Through Texas Bank and Trust And Authorize Mayor Leroy Hughes To Sign Document On Behalf of The City of San Augustine
17. Discussion and Action If Any To Award Betty Loggins A Certificate Of Appreciation In Honor Of Dedicated Service To The City of San Augustine Signed By The City Council, And Presented By Mayor Hughes
18. Adjourn

The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code, Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations About Security Devices) and 551.087 (Economic Development).

The City of San Augustine held its regular meeting on Tuesday, January 15, 2019 at 5:00 p.m.

Members present were:

Mayor	Leroy Hughes
Alderman	Marcus Hafford
Alderwoman	Pamela Teel
Alderman	Stacy Watts
Alderman	Mark Liepman
Alderman	Dan Fussell
Attorney	Wade Flasowski
City Manager	John Camp
City Secretary	Cinda Garner

Mayor Hughes called the meeting to order at 5:00 p.m.

Mayor Hughes offered prayer.

The pledge to the flags was recited in unison.

Mayor Hughes welcomed guest.

Guest present were:

Stephen Hays	Loretta Hughes	Tracy Cox
Jeremy Sanchez		

5. Citizens Presentations

There were no citizen presentations.

6. Approval Of Minutes Of Previous Meeting(s)

Alderman Dan Fussell offered the motion to approve the minutes of the previous meeting. Alderman Stacy Watts seconded the motion. Voting in favor of the motion were Alderman Marcus Hafford, Alderwoman Pamela Teel, Alderman Watts, Alderman Mark Liepman, and Alderman Fussell. Motion carried.

7. Discussion and Action If Any To Approve Fiscal Year 2018 Audit

Mark Goodin and Mark Tiller with Tiller and Company discussed the Fiscal Year 2018 audit presented to the council. Mr. Goodin stated that they have audited the financial statements of the governmental activities, business-type activities, and each major fund of the City of San Augustine, Texas (the "City"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. They believe the audit evidence obtained is sufficient and appropriate to provide a basis for the audit opinion. In Tiller's opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the City of San Augustine, Texas as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Alderman Dan Fussell offered the motion to approve the Fiscal Year 2018 Audit. Alderwoman Teel seconded the

motion. Voting in favor of the motion were Alderman Hafford, Alderwoman Teel, Alderman Watts, Alderman Liepman, and Alderman Fussell. Motion carried.

8. Update on Police Department Activity

Chief Gary Fountain gave the update on the police department's activity for the month of December. Activity included: cases filed 28; 2 felony arrests; 8 misdemeanor arrests; 8 assist other agencies; 59 responses on calls for service; 1 juvenile case; 4 auto accident response/report; 11 citations; and 20 warnings.

9. Judge Loretta Biggers – Update On Municipal Court Activity

Judge Biggers reported 10 citations and collections of \$1,775.92 for the month of December.

10. Tracy Cox – Update On Main Street Program

Tracy Cox did not have any additional information to the monthly report given to the council.

11. Update From City Manager John Camp

City Manager John Camp gave an update of city activity to the council. Activity included:

- **Budget Update** – The council was provided monthly revenue and expenditures report showing the City is on track with the current budget. The government shutdown is affecting the City, we are waiting on funds from EDA/USA that are being held up by the shutdown.
- **Fee Schedule** - The fee schedule will be pushed to next month. It is currently under review.
- **FEMA Road Repair Grants** – Mr. Camp is still working with FEMA to get approval of paperwork submitted to begin repairs on roads. Our representative has been changed again, this should not affect reimbursements.
- **Computer Issues** – PC upgrades are complete at City Hall. PC at the water plant is stable for now. Next week we will meet with a tech to discuss mapping out next phase which is system architecture and security.
- **Roof Issues** – The roof at the Senior Citizens Building had major leaks and repairs have been made by Amazing Roofing, Beaumont, TX at a price of \$9,500.00 with a ten-year warranty. The roof at the old pump house at the water plant is leaking. Mr. Camp has obtained pricing for repairs that run from \$20,000 and \$25,000. There is also a leak at the lab at the water plant that is not currently leaking. Mr. Camp will look more at this at a later date. The leak at the city barn was repaired at a price of \$250.00.
- **Code Enforcement** - Law enforcement officers have gone to training for code enforcement and the next step is to take state tests for certification.
- **Bluestem Energy Update** – Attorney Flasowski has reviewed the agreement and returned it to the city manager.
- **Oil and Gas Lease Update** - Have not heard anything new on this item.
- **Request Legal Update From City Attorney** - Attorney Flasowski advised that there is a hearing set for February 8 on the case of Hanks v/s the City of San Augustine.
- February 9 will be City of San Augustine Recognition Day at the SFA Basketball game.
- Mr. Camp advised the council of two upcoming expenses – repair to the jet rodder and replace a pump at the sewer plant.

12. Discussion and Action If Any To Appoint Mayor Pro Tem For The Current Cycle

Alderman Liepman nominated Alderman Fussell to serve as mayor pro tem for the current cycle. Alderman Hafford seconded the motion. Voting in favor of the motion were Alderman Hafford,

Alderwoman Teel, Alderman Watts, and Alderman Liepman. Alderman Fussell abstained from voting. Motion carried.

13. Discussion and Action If Any To Approve Purchase Of An 8X80 Strip On Block 13 Immediately South Of Lot 84 For Exchange For \$700 And Irrevocable Access To The Stripling Building Via The City Alley

The City does not own the strip of land referenced above. The strip is claimed by the Stripling family, and has been discussed with the council on several occasions. City Management wants authority to outright purchase the strip of land from the Stripling family to consolidate the lot for the City while still giving the Striplings an access to the old Jail. The price was arrived at by the square foot with the help of the appraiser office. Final transaction will be contingent on proper legal description and will be brought before the Council when ready. Alderman Fussell offered the motion to approve the purchase of an 8X80 strip on Block 13 immediately south of Lot 84 (on Montgomery Street) in exchange of \$700 and irrevocable access to the Stripling building via the City Alley after proper legal description is made for the transaction, and that the final transaction will be brought before the Council to approve when ready. Alderman Hafford seconded the motion. Voting in favor of the motion were Alderman Hafford, Alderwoman Teel, Alderman Watts, Alderman Liepman, and Alderman Fussell. Motion carried.

14. Discussion Of Replacing The Pumps At The Water Plant Clear Well

Mr. Camp advised the council that the City does not have the capacity to pump water into the new ground storage tanks at the required rate. While not exactly an emergency, it is a pressing issue for the following reasons: (1) We are unable to pump water from the plant to the storage tanks as fast as we can process it. Therefore, we can never run the plant at maximum output or even find an optimum run rate. This causes treatment issues and added expense in operations for chemicals and overtime on issues. (2) We cannot address the plant control system upgrade while this issue remains. (3) Our supply of water to town cannot be sustained in times of high usage. This will be a failure point in warm weather or in the event of a major fire or large water main failure. (4) We are not in compliance with TCEQ minimum pump capacity. The replacement cost for both pumps will fall between \$35,000 an \$50,000, and we should have precise quotes in time for approval at the February meeting. To meet the cost there are monies available elsewhere in the budget we can repurpose, however, those amounts are part of a delayed funding caused by the Federal partial shutdown. There was no action to be taken on this item as it was for discussion only.

15. Discussion and Action If Any To Approve Agreement With AIC Automation, LLC

City Manager Camp asked the council for approval to sign an agreement with AIC Automation for providing the technical assistance on Process Controls at the water plant as related to the system itself and the System Control and Data Acquisition (SCADA) system). The funding for the base contract is based on the previous budget, and we have negotiated keeping the same rate locked in for the foreseeable future as well as a substantial savings on system upgrades. Service Level Agreements (SLA's) are build into the agreement based on our current expectations. Based on contract pricing, we can expect to upgrade the SCADA system for less than \$60,000 as opposed to over \$75,000 with another competitor based on pricing obtained by Management. Based on pricing, working relationship experience and the recommendation of the City Superintendent the City Manager recommends moving forward with AIC as our partner, and not changing vendors. Alderman Watts offered the motion to approve the City Manager entering the City into the agreement with AIC Automation, LLC for operations at the water plant and SCADA System. Alderwoman Teel

seconded the motion. Voting in favor of the motion were Alderman Hafford, Alderwoman Teel, Alderman Watts, Alderman Liepman, and Alderman Fussell. Motion carried.

16. Discussion and Action If Any To Approve Financing of John Deere 310L Backhoe Through Texas Bank and Trust And Authorize Mayor Leroy Hughes To Sign Document On Behalf of The City of San Augustine

City Manager Camp asked the Council for approval for the Mayor to sign documents financing the purchase of the new John Deere backhoe which was previously approved in the current budget at \$20,000 down and financing over 36 months. The estimated cost of the equipment at budget time was approximately \$100,000. City Management solicited 5 sources for financing, and the Texas Bank & Trust was the lowest option at 4.5%. Alderman Hafford offered the motion to approve financing of the John Deere 310L Backhoe balance of \$86,219.02 through Texas Bank and Trust at 4.25% interest, amortized over a term of 36 months, and paid monthly. Honorable Leroy Hughes will be authorized to sign the documents on behalf of the City. Alderman Watts seconded the motion. Voting in favor of the motion were Alderman Hafford, Alderwoman Teel, Alderman Watts, Alderman Liepman, and Alderman Fussell. Motion carried.

17. Discussion and Action If Any To Award Betty Loggins A Certificate Of Appreciation In Honor Of Dedicated Service To The City of San Augustine Signed By The City Council, And Presented By Mayor Hughes

Mrs. Betty Loggins was unable to attend the meeting due to a doctor's appointment.

The meeting was adjourned at 6:15 p.m.