

STATE OF TEXAS
 COUNTIES OF POTTER
 AND RANDALL
 CITY OF AMARILLO

On the 26th day of January 2016, the Amarillo City Council met at 4:00 p.m. for work session and at 5:00 p.m. for the regular session both held in the Council Chamber located on the third floor of City Hall at 509 Southeast 7th Avenue, with the following members present:

PAUL HARPOLE	MAYOR
ELISHA L. DEMERSON	COUNCILMEMBER NO. 1
BRIAN J. EADES	COUNCILMEMBER NO. 2
RANDY BURKETT	COUNCILMEMBER NO. 3
MARK NAIR	COUNCILMEMBER NO. 4

There were none. Also in attendance were the following administrative officials:

TERRY CHILDERS	INTERIM CITY MANAGER
WILLIAM MCKAMIE	INTERIM CITY ATTORNEY
KELLEY SHAW	PLANNING DIRECTOR
FRANCES HIBBS	CITY SECRETARY

The invocation was given by Councilmember Elisha Demerson. Mayor Harpole led the audience in the Pledge of Allegiance.

Mayor Harpole established a quorum, called the meeting to order, welcomed those in attendance and the following items of business were conducted:

ITEM 1: Mayor Harpole presented the minutes for January 19, 2016. Motion was made by Councilmember Nair to approve the minutes; motion was seconded by Councilmember Demerson, and unanimously carried to approve the minutes.

ITEM 2: Mayor Harpole presented an ordinance amending Ordinance No. 7076 as to the Project Plans and Cost as stated within the Tax Increment Reinvestment Zone Number One, City of Amarillo, Texas, Final Project and Financing Plan. Mr. Childers, Interim City Manager, stated Items 2-4 pertain to the parking garage and the award for construction.

Bob Cowell, Deputy City Manager, stated the LGC board was progressing with the Downtown Parking Garage. The design was completed and approved. The bids have been advertised and the bid opening will be on February 4. The following three items finalize the financing mechanisms. The first item, Ordinance No. 7578, is an amendment of the TIRZ project and financing plan. It defines the project for TIRZ, the costs of the project and how it will be financed. He further stated that bond counsel has made a slight change in the language, making it clear that the parking garage will be a mixed use facility. The second item is an amendment to the existing loan agreement to be repaid by TIRZ to the City from revenues currently being collected. The third is an amended loan agreement with TIRZ approving the agreement that issues the loan. Councilmember Burkett inquired if the retail portion could be spun-off. Mr. Cowell responded that the retail space and parking garage would be funded separately.

Michelle Bonner, Assistant City Manager, presented a summary and breakdown of the taxable hotel occupancy tax revenue bonds for the parking garage project. Ms. Bonner further stated the bonds would be secured by pledge on the hotel occupancy tax. Robert Goodrich, 4111 Stony Point, stated that no audit has been done and he requested an independent body review the financing plan. Mr. Childers responded by stating this was a legitimate financing plan. Bond counsel and the financial advisors have been working closely with the City to make sure the bond proposal is solid, legitimate, and the City is able to repay these dollars. Ms. Bonner stated she and the financial advisor would present to the Council on March 8 to explain the issuance costs associated with the bond issue. They expect the ratings to be AA+ and they will then know the interest rates. James Schenck, 6216 Gainsborough Street, inquired if the City would be tapping into the MPEV funds and HOT revenue for the retail and parking

garage. Motion was made by Councilmember Nair, seconded by Councilmember Eades, that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7578

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS CITY COUNCIL AMENDING ORDINANCE 7076 AS TO THE PROJECT PLANS AND COST AS STATED WITHIN THE TAX INCREMENT REINVESTMENT ZONE NUMBER ONE CITY OF AMARILLO, TEXAS FINAL PROJECT AND FINANCING PLAN; PROVIDING RATIFICATION, SEVERABILITY, AND REPEALER; PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3: Mayor Harpole presented an amendment to the Loan Agreement between the City of Amarillo and Tax Increment Reinvestment Zone Number One for the purpose of completing the construction of the downtown parking garage. Mr. Childers stated this item added some additional funding into an existing loan agreement. Motion was made by Councilmember Nair to approve this consent item, seconded by Councilmember Eades.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4: Mayor Harpole presented an ordinance approving the loan from the Tax Increment Reinvestment Zone Number One, City of Amarillo, Texas to the Amarillo Local Government Corporation and the budget amendment to the Tax Increment Reinvestment Zone Number One for the 2015-2016 fiscal year. Motion was made by Councilmember Nair, seconded by Councilmember Eades, that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7579

A ORDINANCE OF THE CITY OF AMARILLO, TEXAS: APPROVING LOAN FROM THE TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, TO THE AMARILLO LOCAL GOVERNMENT CORPORATION AND APPROVING THE BUDGET AMENDMENT OF THE TAX INCREMENT REINVESTMENT ZONE NUMBER ONE, CITY OF AMARILLO FOR THE FISCAL YEAR OCTOBER 1, 2015, TO SEPTEMBER 30, 2016.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 5: Mayor Harpole presented an ordinance amending the City of Amarillo 2014-2015 Budget by amending the compensated Absences Fund 2014-2015 budget and the Court Security Fund 2014-2015 budget. Motion was made by Councilmember Demerson, seconded by Councilmember Burkett, that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7580

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, ADOPTING THE BUDGET AMENDMENTS PERTAINING TO THE FISCAL YEAR 2014-2015 BUDGET; AND PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 6: Mr. Cowell stated this item was concerning the Canadian River Municipal Water Authority (CRMWA) and City water supply and strategies. He stated the significant challenge that the community is facing are the upcoming issues for the near future and the long-term. Kent Satterwhite, CRMWA, General Manager, explained the major blowout which occurred on December 30 and took 10-days to repair. The repair was an expensive process and replacements of other joints may be needed. Mr. Satterwhite stated that 55 miles of pipe will be checked for corrosion.

Floyd Hartman, Capital Projects and Development Director, presented charts of the City's historical water demand and the capacity of producing water with City of Amarillo wells. He stated the short-range strategies were to fill the reservoirs as full as possible, rely on the City's capabilities, maximum use of the water plants, and coordinate with CRMWA to obtain a survey of the aqueduct. The mid-range strategies are to accelerate the response to the well problems, and work with CRMWA in response to the pipe survey results. The long-range strategies are to accelerate the addition of City-owned wells, work with CRMWA in resolution to the aqueduct issues and there are other wells that the City can propose, just in case. The worst case scenario is they would initiate the drought contingency plan.

ITEM 7: Mr. Hartman introduced Preston Dillard, Alan Plummer Associates, Inc. Mr. Dillard presented a review prepared for the City's long-term needs of its wastewater system. The City has 952 miles of pipe; 16.9 miles of force main; 54 lift stations; 11,530 manholes; and 2 wastewater treatment plants. The infrastructure issues are a nationwide problem with aging systems, greater demands and stricter regulations. The clear plan is to not rely on status quo, continuing training, inspections and maintenance and updating data. Councilmember Nair stated that infrastructure was invisible but was needed to build our future. Mr. Childers stated the need to be consistent, investing in the maintenance and care of our valuable life or death assets. The need to maintain the water, wastewater, parks, and roadways, etc. The basics in order to maintain and serve this community.

ITEM 8: Mayor Harpole advised that this item would be tabled.

ITEM 9: Mayor Harpole presented the consent agenda and asked if any item should be removed for discussion or separate consideration. Councilmember Burkett asked that Item 9F be removed for separate consideration. Mayor Harpole inquired about comparisons for past years. Mr. Childers stated this item would be placed on next week's agenda. Motion was made by Councilmember Demerson to approve Items A-E and G-H of the consent agenda, seconded by Councilmember Burkett.

A. Purchase – Gate/Tapping Valves:

Award to low responsive bidder: The Valve Agency Inc. -- \$78,054.00

This item awards the annual supply agreement to provide various gate-valves and tapping-valves for the City's Warehouse. These valves are purchased as needed and maintained in inventory for use by City departments. Funding for this purchase is in the approved FY 2015-2016 Central Stores inventory budget.

B. Purchase – Automated External Defibrillators:

Award to low responsive bidder: First Aid & Safety of Texas, Inc. -- \$97,217.75

This is the purchase of automated external defibrillators (AEDs) to replace existing older units presently utilized in City of Amarillo buildings. This purchase is funded in the approved FY 2015-2016 Safety Program account.

C. Award – Cars and Light Trucks:

Award to low responsive bidders meeting specifications as follows:

Gene Messer Ford Amarillo (Lines 1, 2, 3, 4, 10, 14, 15)	\$303,439.00
Caldwell Country Chevrolet (Lines 5, 6)	\$479,817.00
Sam Packs Five Star Ford (Lines 7, 11, 12, 13)	\$124,643.10
Rockdale Country Ford (Lines 8, 9)	\$501,886.00
Silsbee Ford, Inc. (Lines 16, 17, 18)	<u>\$110,406.00</u>
	Total Award \$1,520,191.10

This item is the scheduled replacement of cars and light trucks used by various City Departments. The proposed award includes various sedans, 2-wheel drive trucks and 4-wheel drive trucks that will be used by the Utilities Department, Laboratory Administration, Animal Management & Welfare, Hollywood Road Wastewater, Street Department, Police Department, Facilities Department, Comanche Trail Golf; Municipal

Garage Operations, Traffic Field Operations, Building Safety Department, Solid Waste Disposal, Park Maintenance, Water Transmission, Water Distribution, Engineering Department, Water Production, Fire Support, Emergency Management, Water Production, Telecom Department and IT Administration. Funding for this award is available in the approved FY 2015-2016 Municipal Garage Rolling Stock budget.

D. Award – Water Main Improvements – Buchanan Street:

Award to low responsive bidder: LA Fuller and Sons Construction, Ltd. -- \$121,990.00

This item awards a contract with LA Fuller and Sons Construction, Ltd. for the extension of a water main at Buchanan Street from 5th to 7th Avenues. Funding for this contract is available in the approved FY 2015-2016 budget in the Downtown Water Main Relocations account.

E. Award – Arden Road Transmission Line and Pump Station Improvements:

Award to low responsive bidder: S. J. Louis Construction of Texas, Ltd., LLP -- \$13,879,793.32

This item awards a contract for the 36-inch water transmission line from the Osage Water Treatment Plant to the 24th Avenue Pump Station and install the second tank and final pumping to complete build-out of the pump station. Funding for this award is available from the Department's approved FY 2015-2016 budget and through Texas Water Development Board (TWDB) Water Infrastructure Fund financing. Award of this contract has been approved by the TWDB.

G. Approval – Vending Machine Services:

Sole bidder: Custom Food Group – No cost to City

This item awards a contract for the City's vending machine services and sales.

H. Approval -- Emergency Repair of a Sanitary Sewer Line at Western Street:

Award to Amarillo Utility Contractors -- \$128,850.00

This item approves the emergency repair of a sanitary sewer line that crosses under Western Street and services approximately 20 residences, the water park and recreational area in Tascosa Country Club. The existing line has deteriorated and collapsed. The contract was awarded to the available contractor on an emergency basis and work began on January 22, 2016. Funding for the emergency repair is available from the Departments approved FY 2015-2016 budget in the Expansion and Improvement Account.


Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

Mayor Harpole announced that this is the end of the regular agenda, but this time is reserved to hear from any citizen concerning matters pertaining to City policies, programs or services not on today's agenda. The public forum is set under the Open Meetings Act and that during the public forum the City Council can respond with a statement of fact, a statement of City policy or decide whether to place an item on a future agenda.

Mr. Patel, 112 West Amarillo Boulevard, inquired about a condemnation on the East side of town, and if there had been any discussions on recycling. Mary C. Jones, 1315 Northwest 12th Avenue, complained about Werner Law Firm and the William Boyce Insurance agency. Robert Goodrich, 4111 Stony Point, inquired as to a November discussion concerning placing the design or operations of the AEDC from a Type A to a Type B organization on an upcoming ballot. James Schenck, 6216 Gainsborough Street, stated he was glad Mr. Childers was starting to take care of our city. There were no further comments.

Mayor Harpole advised the meeting was adjourned and the Council would return to Closed Session.

ATTEST:



Frances Hibbs, City Secretary



Paul Harpole, Mayor